



Circular Details	GC 147 / 21 June 2018 / A591375
Who should read this	Councillors / General Managers / Finance Managers
Contact	Helen Pearce – 02 4428 4131 / helen.pearce@olg.nsw.gov.au
Action required	Information

2018-19 Financial Assistance Grants (FAGs) – advance payment and transition to implement improvements to the existing allocation model

- The Minister for Regional Development, Territories and Local Government, The. Hon Dr John McVeigh MP, has announced that the Australian Government will again bring forward the first two instalments of the estimated 2018-19 FAGs.
- The advance payment will represent approximately 50% of the amount council is entitled to. Further adjustments will need to be made to take into account:
 - the determination by the Commonwealth Treasurer of the final adjustments for 2017-18
 - the Grants Commission's recommendations for 2018-19.
- The Commission is reviewing the model to consider ways the General Purpose Component of the grants can be directed towards councils with the greatest relative need and implement transition arrangements.
- The 2018-19 grants will be calculated using the 2017-18 year's allocation. No council will receive less than in 2017-18.
- The Commission is currently finalising the 2018-19 FAGs and will advise councils of the outcome when the grant recommendations have been adopted.

What this will mean for your council

- The advance payment amount, as set out in the indicative table (attached), is expected to be paid to councils on 21 June 2018.
- The balance of the grant will be paid with a corresponding reduction to the quarterly instalments during 2018-19.
- The first quarterly instalment is expected to be paid to councils in mid-August 2018, with subsequent instalments in November 2018; February 2019; and May 2019.
- All councils will be advised by letter of individual council's estimated entitlements for 2018-19 FAGs.

Key points

- The grants are paid under the provisions of the *Local Government (Financial Assistance) Act 1995* (Cwlth).

Where to go for further information

- Please contact Helen Pearce, Executive Officer, if you require any further information.

Helen Pearce

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