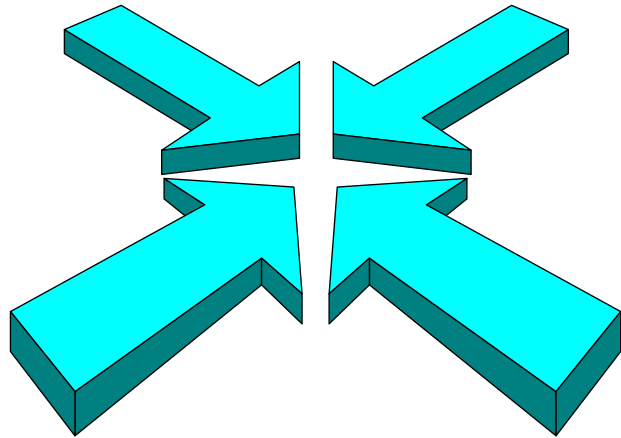

NSW Local Government Grants Commission

**Victoria Government's Parliamentary Road Safety Committee
Inquiry into Federal-State Road Funding**

NSW Grants Commission - Structure



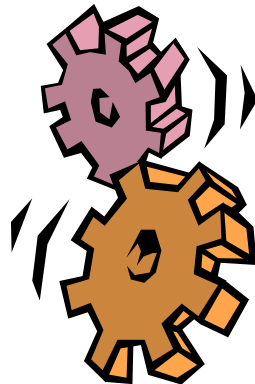
THE COMMISSIONERS

Chairperson & 2 Members

- part-time, nominated by the NSW Minister for Local Government

Deputy-Chairperson

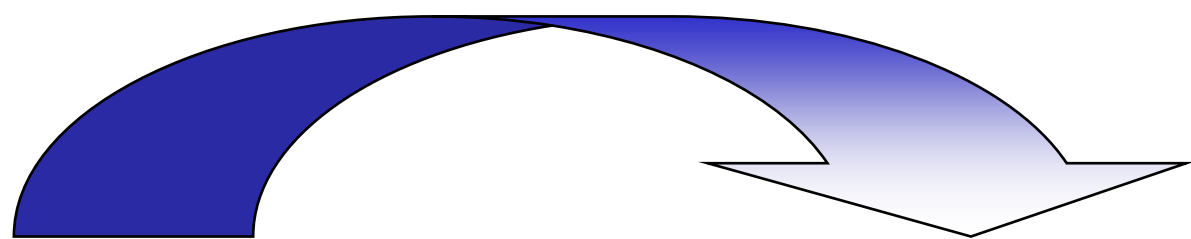
- full-time officer of the Division of Local Government



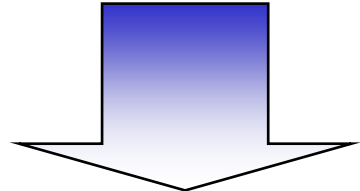
SUPPORT STAFF

- Executive Officer

NSW Grants Commission - Role



**NSW Minister
for Local Government**

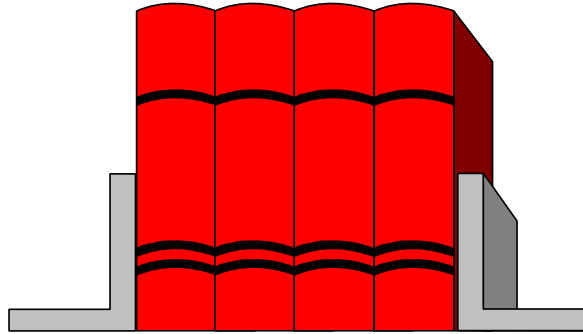


**Federal Minister for
Infrastructure,
Transport, Regional
Development and
Local Government**

Recommendations

NSW LOCAL GOVERNMENT GRANTS COMMISSION						
SCHEDULE OF ESTIMATED ENTITLEMENTS FOR FINANCIAL ASSISTANCE GRANTS						
Local Governing Body	Estimated Resident Pop. as at 30-6-2007*	General Purpose Component	Local Roads Component	Total Estimated Entitlement	2008-09 CPG/Pop. Payment	Total 2008-09
Albury (C)	49,521	4,541,919	1,853,199	5,585,118	5,585,118	5,585,118
Armidale Dumaresq	26,694	2,656,637	1,081,536	3,746,173	3,746,173	3,746,173
Ashfield (M)	41,833	1,621,563	349,359	1,279,522	1,279,522	1,279,522
Auburn	70,996	2,030,048	481,169	2,511,217	2,511,217	2,511,217
Balfour (S)	49,952	2,341,983	587,451	2,929,434	2,929,434	2,929,434
Bathurst (S)	2,514	1,367,777	1,039,856	2,407,633	2,407,633	2,407,633
Bathurst Regional	179,657	4,527,767	1,735,375	6,263,142	6,263,142	6,263,142
Bathurst Regional	37,696	3,771,335	1,039,856	4,811,191	4,811,191	4,811,191
Bathurst Regional	168,026	1,032,432	1,039,856	2,072,288	2,072,288	2,072,288
Bega Valley (S)	32,655	1,511,517	1,279,627	2,791,144	2,791,144	2,791,144
Bellingen (S)	11,112	1,418,224	1,222,342	2,640,566	2,640,566	2,640,566
Berrigan (S)	2,635	885,797	553,619	1,447,416	1,447,416	1,447,416
Bickmore (C)	2,342	683,902	521,982	1,205,884	1,205,884	1,205,884
Bland (S)	37,813	792,764	330,487	1,123,251	1,123,251	1,123,251
Bland (S)	3,091	1,930,955	1,458,406	3,449,361	3,449,361	3,449,361
Bland (S)	1,944	1,366,028	992,409	2,358,437	2,358,437	2,358,437
Bonville Hill (C)	29,874	3,779,335	464,916	4,244,251	4,244,251	4,244,251
Borewood	32,960	696,802	397,327	1,094,129	1,094,129	1,094,129
Byron (S)	59,866	1,411,984	914,859	2,326,843	2,326,843	2,326,843
Cabonne (S)	12,940	1,962,497	1,693,873	3,656,370	3,656,370	3,656,370
Camden	52,142	1,387,466	638,087	2,025,553	2,025,553	2,025,553
Campbelltown (C)	147,460	7,538,066	1,325,363	8,863,429	8,863,429	8,863,429
Canada Bay (C)	70,419	1,334,069	464,411	1,798,480	1,798,480	1,798,480
Canterbury (C)	137,755	4,623,115	873,369	5,496,484	5,496,484	5,496,484
Carriagbah (S)	2,915	1,791,999	1,762,191	3,554,191	3,554,191	3,554,191
Central Darling (S)	1,987	1,980,626	1,213,376	3,194,002	3,194,002	3,194,002
Cessnock (C)	48,987	4,575,886	1,318,635	5,894,521	5,894,521	5,894,521
Clarence Valley	59,596	4,785,423	2,529,537	7,314,960	7,314,960	7,314,960
Claremont	5,143	2,730,521	1,313,295	4,043,816	4,043,816	4,043,816
Colls Harbour (C)	69,992	4,512,759	1,545,259	6,058,018	6,058,018	6,058,018
Cook (S)	1,736	1,659,328	988,545	2,647,873	2,647,873	2,647,873
Cootamundra (S)	4,155	1,495,584	995,667	2,491,251	2,491,251	2,491,251
Cooka-Monaro (S)	10,142	2,094,652	875,404	2,970,056	2,970,056	2,970,056
Cootamundra (S)	4,261	1,630,467	1,332,135	2,962,602	2,962,602	2,962,602
Lachlan (S)	6,814	3,210,623	2,672,699	5,883,322	5,883,322	5,883,322
Lake Macquarie (C)	195,092	11,581,945	2,397,690	13,979,635	13,979,635	13,979,635
Lane Cove (M)	32,947	991,789	217,771	1,209,560	1,209,560	1,209,560
Shellharbour (C)	66,296	3,364,921	671,816	4,036,737	4,036,737	4,036,737
Shellharbour (C)	92,890	7,025,863	2,475,118	9,501,981	9,501,981	9,501,981
Silverton (VC)	57	25,023	0	25,023	25,023	25,023
Wyalong (S)	143,498	7,816,574	1,364,109	9,180,683	9,180,683	9,180,683
Yass Valley	14,112	1,594,923	1,039,569	2,634,492	2,634,492	2,634,492
Young (S)	12,535	1,944,282	997,538	2,941,820	2,941,820	2,941,820
NSW Total	6,983,591	62,405,792	16,853,797	79,259,589	79,259,589	79,259,589





The legislation...

**Commonwealth
*Local Government (Financial
Assistance) Act 1995***
&
NSW *Local Government Act 1993*
(NSW LGGC is constituted under S.613)

**The Commonwealth Act
provides for two funding pools:**

General Purpose Component

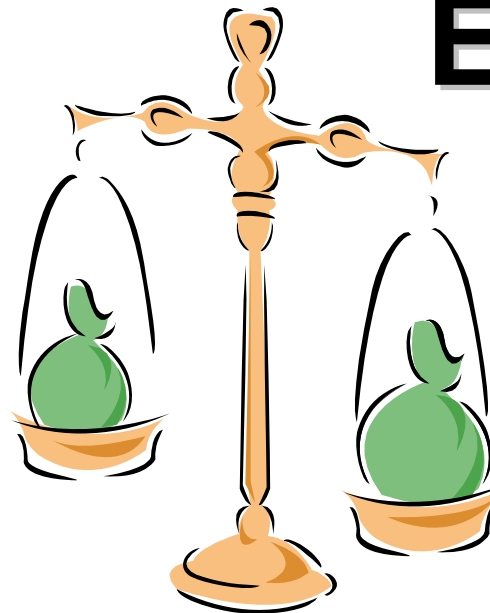
plus

Local Roads Component

However, the total grant is “untied”

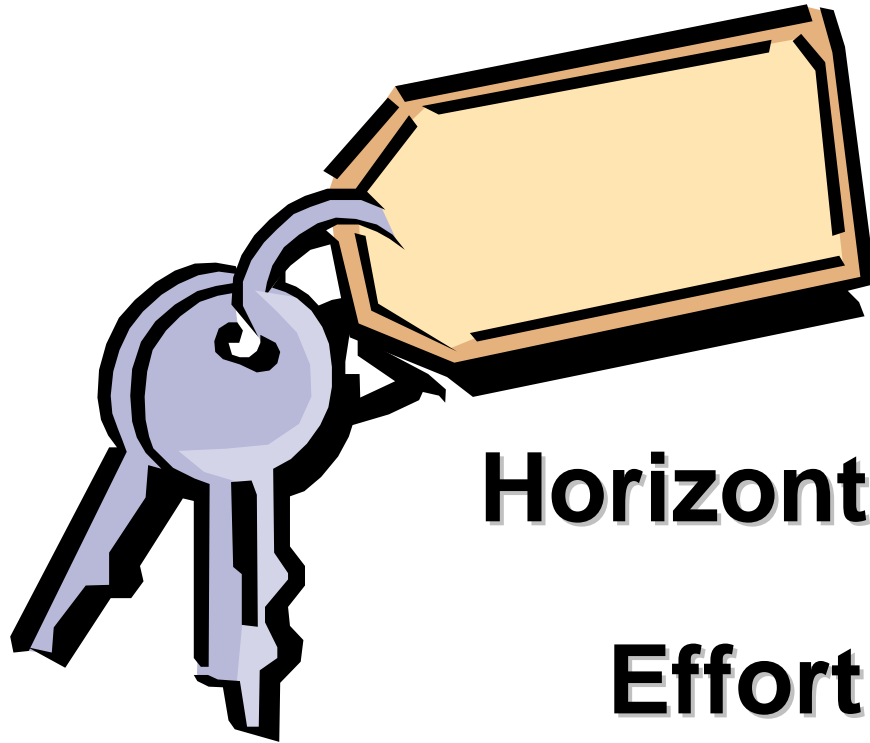
The National Principles require an assessment of:

**Revenue
Capacity**



**Expenditure
Needs**

**The National Principles
also contain two key principles:**

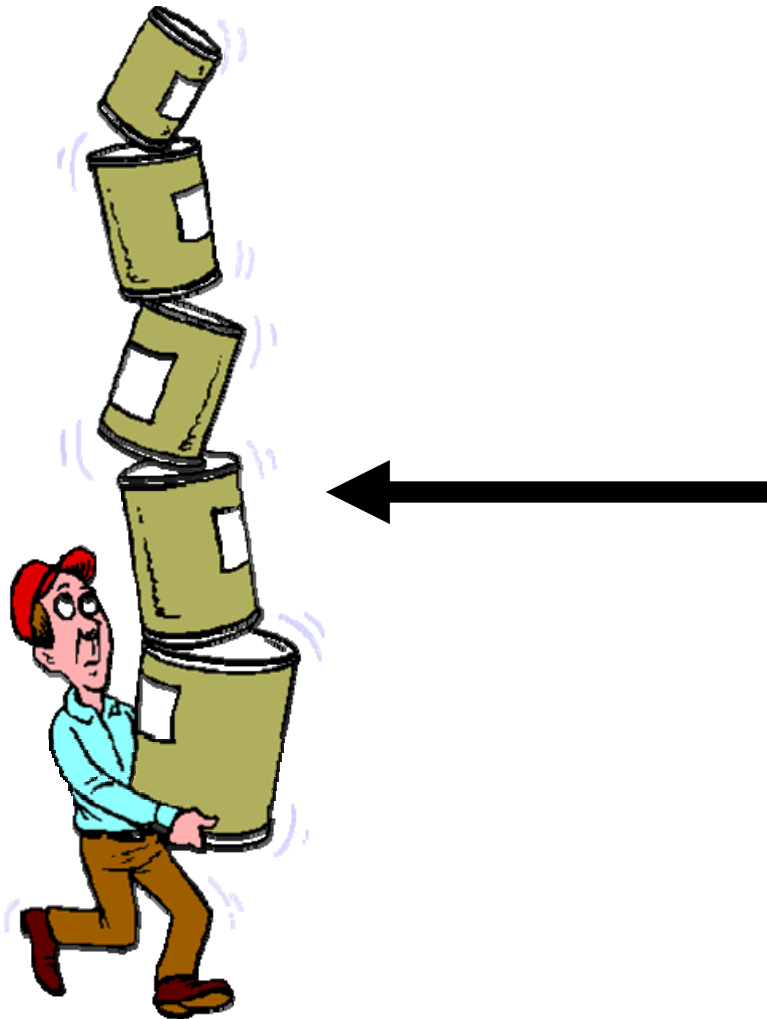


Horizontal Equalisation

Effort Neutrality

Horizontal Equalisation...

...assessing relative needs



**What's
Council's
relative
position?**

Effort Neutrality:

a Council's grant shouldn't be influenced by its policy decisions





Safety Net...

**The Commonwealth Act
provides for a minimum
per capita grant**

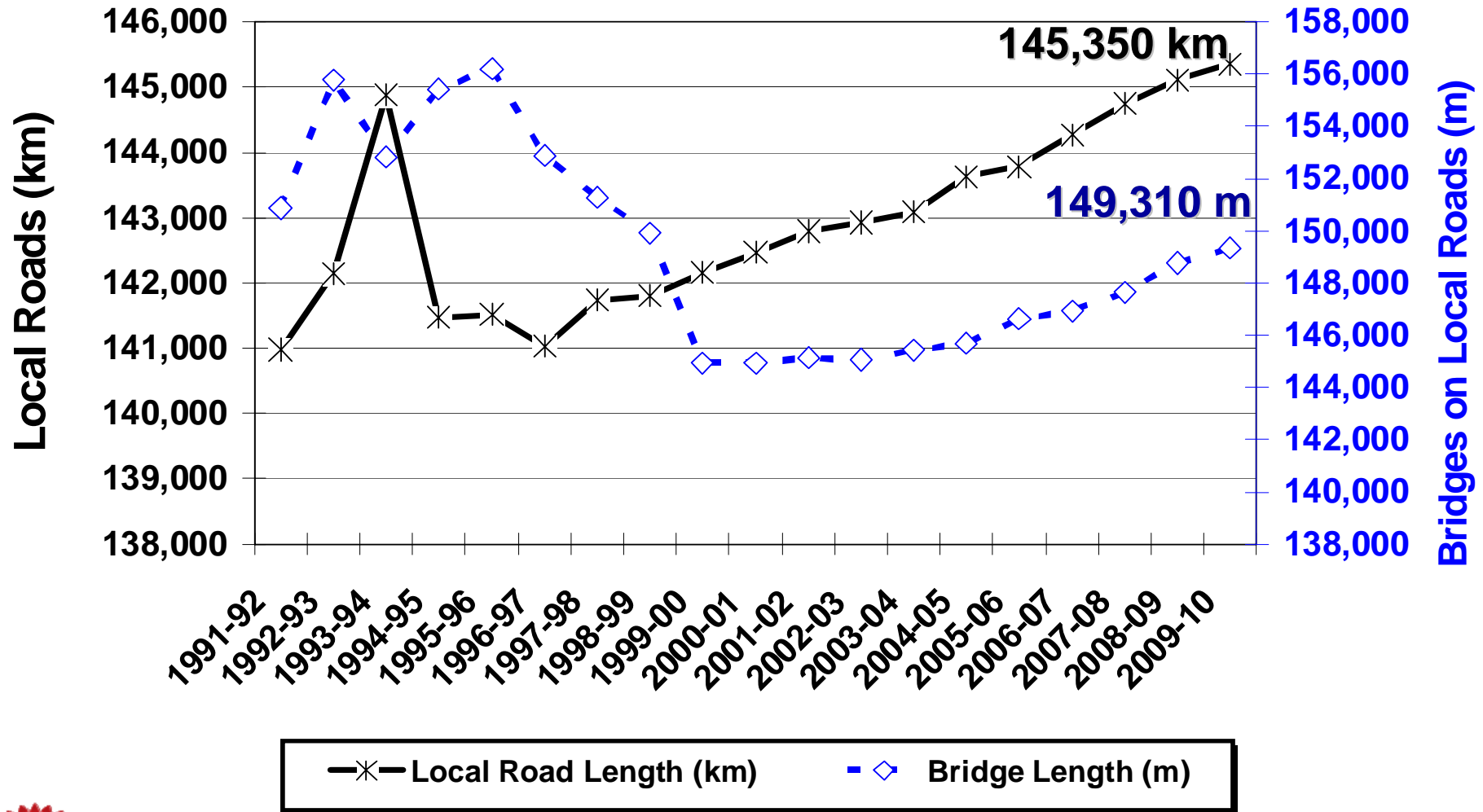
**(based on 30% of the
General Purpose Component pool)**

\$18.72 for 2009-10

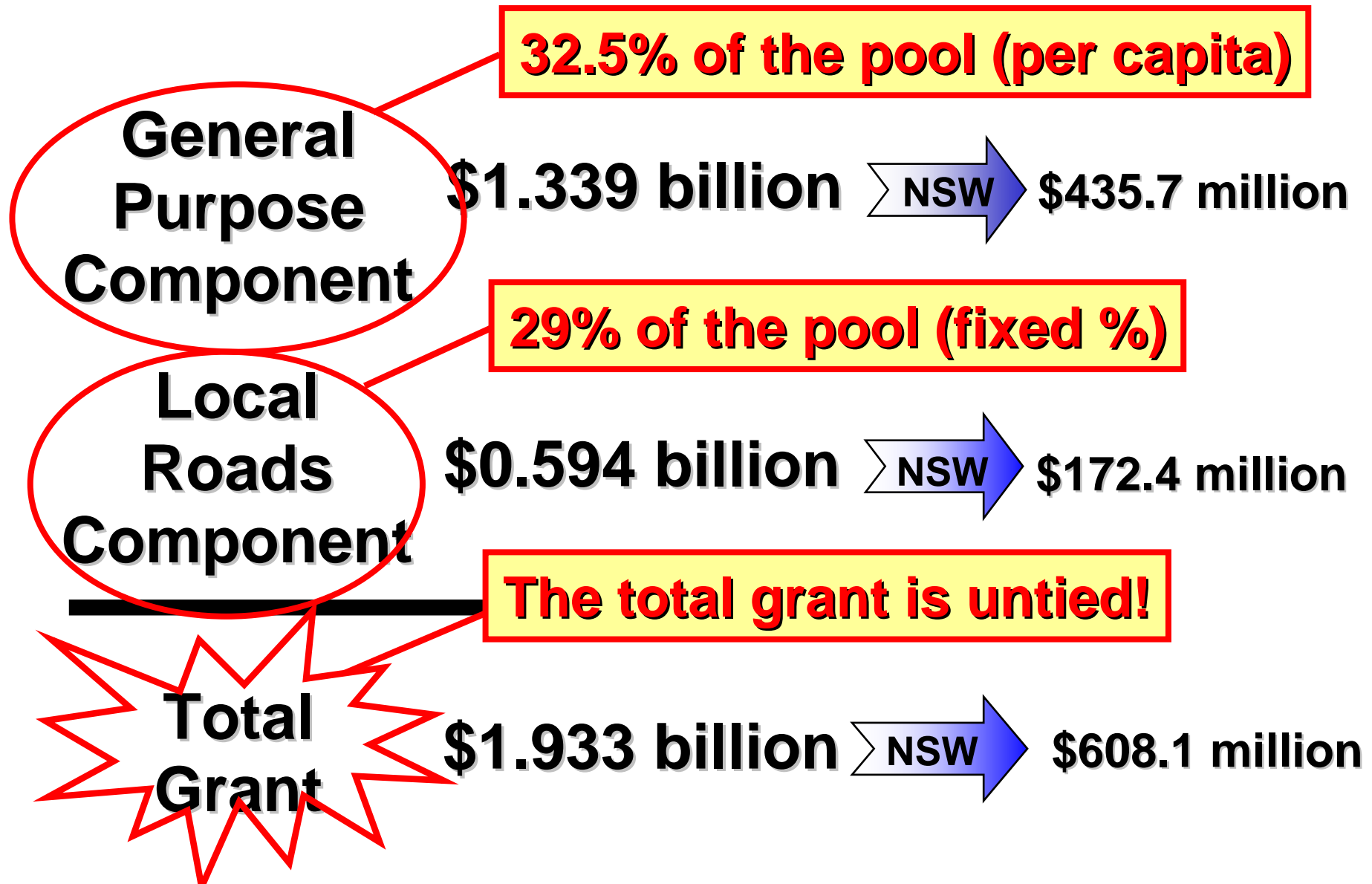


**The grants
are based on
recurrent
expenditure,
not capital
works**

NSW Local Road & Bridge Totals



FINANCIAL ASSISTANCE GRANTS 2009-10



FINANCIAL ASSISTANCE GRANTS

General Purpose Component = **Revenue Allowance** + **Expenditure Allowance** + **Pensioner Rebate Allowance**

Local Roads Component = **Road Length and Population Formula** + **Bridge Length Formula**

The total grant is untied!

Total Grant = **General Purpose Component** + **Local Roads Component**

2009-10 LOCAL ROADS COMPONENT

State Allocation - \$172m
(29% of National Pool)

27.54% - \$47m
Councils within the Sydney
Newcastle & Wollongong Areas

72.46% - \$125m
Councils outside the Sydney
Newcastle & Wollongong Areas

95%
60% - Road Len.
40% - Pop.

5%
Bridge Length

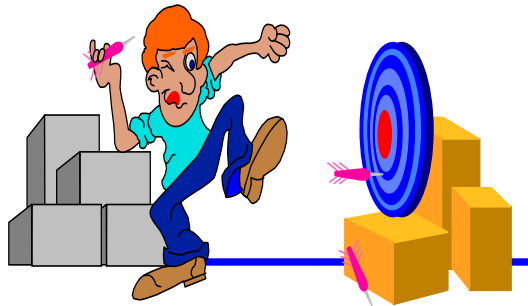
93%
80% - Road Len.
20% - Pop.

7%
Bridge Length

Finally...

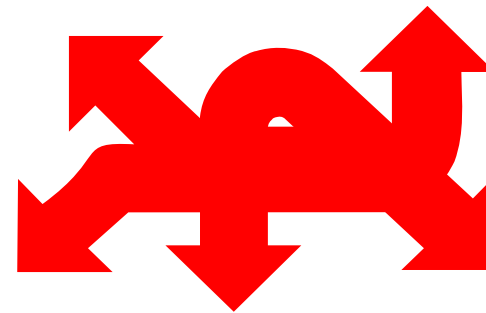
The grants are paid by quarterly instalments:

- August
- November
- February
- May



The recommendations are based on Commonwealth estimates of CPI and State population shares.

Adjustments, up or down, are made to the following year's quarterly instalments.





For further information contact:

NSW Local Government Grants Commission

5 O'Keefe Avenue, Nowra NSW 2541

Locked Bag 3015, Nowra NSW 2541

Phone: (02) 4428 4132

Fax: (02) 4428 4199

E-mail: grants@dlg.nsw.gov.au

Web: www.dlg.nsw.gov.au/grants.htm