

## INFORMATION SHEET

This sheet has been prepared solely to assist discussions during the Local Government/Aboriginal Service Agreement Project and is to be used only as a guide (updated March 2006).

### FINANCIAL ASSISTANCE GRANTS

- The *Local Government Act 1999* provides for councils to raise revenue through council rates and service fees and charges such as building approval application fees, dog registration fees, hall hire fees, charging users for use of facilities, and waste management fees.
- Revenue also comes from State and Commonwealth Governments. For example, State grants help to run libraries and establish septic tank effluent disposal schemes.
- The Commonwealth Government provides Local Government Financial Assistance Grants – known as “untied” grants - annually to each State. These are distributed to Councils for the provision of local government type services through the South Australian Local Government Grants Commission.
- These Grants are made up of two components – a general-purpose component and a local road component.
- The share South Australia receives of the National general-purpose grant (7.6%) is based on our population.
- The share South Australia receives of the National local roads grants (5.5%) is based on a historical formula.
- The South Australian Local Government Grants Commission distributes these grants based on principles contained within the Commonwealth (*Local Government*) *Financial Assistance Grants 1995*.
- The Commission distributes the Grants to South Australia’s 68 Councils constituted under the Local Government Act and 6 local governing bodies not within local council boundaries in the remote and less populated areas of the State.
- The Grants assist Councils to provide:
  - a range of local government type services and facilities that benefit their area such as waste management and public libraries,
  - to manage public areas held by a Council such as ovals, public amenities and perhaps tourist facilities, and
  - to maintain public local roads.