



Senator the Hon Fiona Nash
 Minister for Regional Development
 Minister for Local Government and Territories
 Minister for Regional Communications
 Deputy Leader of The Nationals



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Cr Sophie Ramsey
 Mayor
 Melton City Council
 PO Box 21
 MELTON VIC 3337

Dear Mayor

The Turnbull-Joyce Coalition Government is delivering for our councils. Since becoming Minister for Local Government and Territories in July 2016, I have met with councils throughout Australia and heard first-hand about their challenges, opportunities and plans for the future.

One issue that councils have often raised with me is the indexation of the Financial Assistance Grant program. I am pleased to announce that indexation will return to the program from 1 July 2017 and will deliver a boost of \$78.3 million to councils across the nation.

The total funding delivered under the Financial Assistance Grant program for 2017-18 will be almost \$2.4 billion, growing to almost \$2.6 billion by 2019-20. Your council's funding allocation for 2017-18 will be determined by your local government grants commission shortly.

The Coalition Government has also agreed to bring forward two quarterly payments to councils from 2017-18 to the current financial year. This will give councils the opportunity to start work immediately on projects they have been putting off and to benefit from additional interest on their cash in the bank.

Pausing indexation on the Financial Assistance Grant program was a difficult decision. However, the Coalition Government is committed to repairing the budget and the indexation pause, while unpopular, was necessary to contribute to this task. I thank local governments for their efforts in constraining costs and working within their existing budgets – something that all levels of government have had to do.

The Coalition Government is committed to assisting councils as they deliver essential local services to our communities. As the Minister for Local Government and Territories, I look forward to working with you to support this important work.

Yours sincerely

A handwritten signature in blue ink that reads "Fiona Nash".

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