

FAQs for councils

1. When will councils receive their share of the \$44m council transition support funding?

The Department of Internal Affairs (the Department) will send funding agreements to councils shortly. Councils will receive funding in four equal quarterly payments, in advance over 12 months.

2. What do councils need to do to get their share of the \$44m council transition support funding?

Payments will be administered through the Department's Grants Management System. Details on this process will be provided by the Department to councils separately.

The first instalment will be paid to councils once the funding agreement is signed and provided to the Department with an accompanying payment request submitted into the Department's Grants Management System.

Subsequent payments will be made upon submission of quarterly payment requests with an accompanying high-level description of activities undertaken and spend incurred in the previous quarter.

3. What accountability is in place to ensure councils are spending their share of the \$44m council transition support funding on three waters transition activity and not on other council priorities?

The funding agreement specifies that expenditure must be related to three waters transition activity. This includes responding to requests from the National Transition Unit and the supply of information and resource to support councils' preparation for transition.

Under the agreement, any funding not expended on eligible transition related activity by the transition date (30 June 2024) will be repayable by councils to the Department.

4. What about councils that are publicly/actively opposed to three waters reform – will they still receive their share of this funding?

All councils will receive this funding as long as they complete the funding agreement. Nothing in the funding agreement prevents them from publicly offering their views on reform.

5. How much is the second tranche of transition funding and why can't this be made available now?

The focus has been on getting immediate funding support out to councils as fast as possible to reflect the costs they're incurring now in supporting the three waters transition process. The second tranche of transition funding will be to support councils' participation in Local Transition Teams that will undertake the detailed planning required for day one of operation of the four new WSEs. More detail will be provided on this in due course, and feedback will be sought from the sector on how best to target the further transition funding to drive transition outcomes.

6. *What is the funding allocation, by council?*

Councils will receive their share of the \$44m council transition support funding based on the 'better off funding' allocation methodology, amended to ensure that each council receives a minimum of \$350,000 over twelve months to reflect the proportionately relatively higher fixed costs smaller councils.