

Statutory Act of Grace Payments

Disclaimer: This is guidance material only and does not replace reading the legislation or the [Treasury Circular](#). For further information refer to the legislation and Treasury Circular. Please check the website for updates and other information.

- Section 5.7 of the *Government Sector Finance Act 2018* (GSF Act) provides Ministers with a statutory power to make act of grace payments. Section 5.7(4) of the GSF Act also allows this power to be delegated. The GSF Act enables a Minister, or a Minister's delegate, to make a statutory act of grace payment if it is satisfied that there are "special circumstances", or other circumstances prescribed by the regulations.
- A Statutory Act of Grace payment can only be made using money that is otherwise legally available to the Minister to spend. For example, a Minister can make a Statutory Act of Grace payment from Consolidated Fund if that spending is already covered by an appropriation to that Minister.
- The Treasury Circular Statutory Act of Grace Payments, [TC22-01](#), issued in January 2022, provides current guidance on:
 - delegation of the statutory power,
 - "special circumstances" which may warrant a statutory act of grace payment, and
 - disclosure and reporting requirements related to statutory acts of grace payments.
- The statutory act of grace power does not limit a Minister's natural power to make non-statutory or executive act of grace payments on behalf of the Crown. Any payments of this nature must also be made from lawfully available monies.

Need more information?

For more detail, please refer to the following sections in the GSF Act:

- Part 5 Expenditure
- Division 5.2 5.7 Act of grace payments

Access the Treasury Circular [TC22-01 Statutory Act of Grace Payments](#)

Or contact the NSW Treasury Financial Management Policy team at finpol@treasury.nsw.gov.au