



Edition 2 | July 2021

Welcome to the *Local Government Act 2019*

The day has finally arrived with the commencement of the new *Local Government Act 2019*. This has been an enormous achievement and collective effort of the local government sector. I would like to take this opportunity to thank you all for your input, guidance and support as we worked through the new legislation and all the many challenges this has presented along the way.

This newsletter contains key information to support councils in transitioning to the new Act, including commencement of the new Regulations, Guidelines, financial reporting, procurement and an update on mandatory training. I encourage you to read more about this under the headings below.

The Local Government and Regional Development (LGRD) Unit recently delivered an information and Q&A session on the *Local Government Act 2019*, which provided councils with an opportunity to ask any last-minute questions about the new Act. Following this session, we have provided written responses to the questions raised, as well as supporting resources for councils in preparing for the commencement of the new legislation. We appreciate this has been a lot of information to absorb, and we welcome any questions or feedback you might have as you transition to the new Act.

As always, please do not hesitate to contact the LGRD team from the Department of the Chief Minister and Cabinet (CM&C) or your regional CM&C office if you have any queries.

If you have any technical questions or concerns, please feel free to get in touch with us via the emails at the end of this newsletter or contact Ethan Redshaw, Manager Legislation and Policy, at LGLaw@nt.gov.au or 8995 5107.

Maree De Lacey
Executive Director
Local Government and Regional Development

Commencement of the new Act

The *Local Government Act 2019*, except for Part 8.6 of the Act, commences today (**1 July 2021**).

The [Local Government Act 2019](#) is available on the NT Legislation website.

Part 8.6 of the Act, which contains donation and loan disclosure requirements for candidates, will commence on **1 July 2022**, after the August 2021 local government elections



The approved [Breach of Code of Conduct complaint form](#) is available on the CM&C website and is ready to be added to council websites. A Word version of this form will be emailed out to councils in the coming days.

Commencement of the new Regulations

The *Local Government (Electoral) Regulations 2021* and *Local Government (General) Regulations 2021* commence today (**1 July 2021**).

The [Electoral Regulations](#) and [General Regulations](#) are available on the NT Legislation website.



The Electoral Regulations bring about important changes for the upcoming August 2021 local government elections, including simplified processes for nominating as a candidate, extending the period to receive postal votes, and facilitating 'on the day' voting to support voter participation.

We thank the local government sector for your continued input and feedback on the Regulations during the two rounds of consultation throughout 2020 and 2021.

In the coming weeks the LGRD Unit will develop and provide additional support documents to assist council officers, including a document that highlights the key changes in the General Regulations from the second round of consultation.

Compliance with the new legislation

From 1 July 2021, compliance with the requirements of the new legislation is mandatory. However, councils and local government subsidiaries will have 12 months to adopt new policies and keep new registers required under the legislation. While routine council compliance reviews will not be conducted during 2021–22, the compliance team will continue to monitor all councils and the local government

subsidiary's compliance with the legislation. In addition, the LGRD Unit and regional officers from CM&C will continue to provide support to the sector to ensure compliance with the new legislation.

Commencement of the new Guidelines

The following guidelines were made by the Minister for Local Government and commence on **1 July 2021** for the purposes of the new Act:

- [**Guideline 1: Local Authorities**](#)
- [**Guideline 2: Appointing a CEO**](#)
- [**Guideline 3: Borrowing**](#)
- [**Guideline 4: Assets**](#)



These four new [Guidelines](#) for the Act are available on the CM&C website.

In addition, the Minister for Local Government re-made *Guideline 2: Allowances for Council Members* under section 71(2) of the *Local Government Act 2008* and retitled this guideline as **Guideline 2A: Council member allowances**.

[**Guideline 2A: Council member allowances**](#) is available on the CM&C website.

Guideline 2A applies to council member allowances as a transitional arrangement until the Remuneration Tribunal makes its first determination of council member allowances. Guideline 2A will be repealed on the Remuneration Tribunal's first determination.

Guideline 2A includes several changes to improve consistency with the new legislation, as far as practicable, including rules for the use of the professional development allowance, the payment of the acting principal member daily rate, and the adjustment of allowances.

Note: Guideline 2A does not change council member allowance amounts for the 2021-22 financial year. [Maximum allowances for 2021-22](#) are published on the CM&C website.

For more information on these changes and the previous repealed guidelines, an information paper on the [New local government guidelines](#) is available on the CM&C website.

Financial reporting and budgeting for 2021 – 22

As a transitional arrangement for **2021–22**, the requirements of the *Local Government Act 2008* relating to Annual Budgets under Part 10.5 and Annual Financial Statements under section 131 continue to apply. All financial reporting and budgeting requirements will need to be in accordance with the requirements in the new legislation for the **2022-23 financial year**.



Councils and the local government subsidiary can elect to adopt any new financial reporting or budgeting requirements early and this will be considered valid and compliant.

The following new forms (templates) relating to financial reporting and budgets will be released at the end of **November 2021** after the completion of the 2020 – 21 annual reports:

- the approved form for the **monthly financial report** (councils)
- the approved form for the **quarterly financial report** (local government subsidiary)
- **Guideline 5: Budgets** (which includes the required form of the budget)
- **Guideline 6: Annual reports** (which includes required financial tables for the annual report).

The LGRD Unit will be engaging with council and local government subsidiary finance officers over the coming months to ensure the new forms are fit for purpose and are an appropriate common standard for council reporting.

If you have any questions about financial reporting requirements, please email LG.Compliance@nt.gov.au.

Procurement

Approval of procurement entity

The CEO of CM&C has approved the **Local Government Association of the Northern Territory (LGANT)** as a procurement entity under the *Local Government (General) Regulations 2021*.

This approval recognises LGANT's arrangements with the procurement service provider Local Buy Pty Ltd, which were previously recognised and facilitated under the *Local Government (Accounting) Regulation 2008*.



A council or local government subsidiary is not required to request quotations or call for tenders if obtaining supplies under a contract that is facilitated by a procurement entity.

More information on the [procurement entity approval](#), including conditions on the approval, is available on the CM&C website.

General Instruction 1: Procurement

The CEO of CM&C has issued a new general instruction under the *Local Government (General) Regulations 2021* titled *General Instruction 1: Procurement*.

General Instruction 1 commences today (**1 July 2021**).

[General Instruction 1: Procurement](#) is available on the CM&C website.

General Instruction 1 provides for a 5 year limit on procurement contracts for councils and local government subsidiaries, except in the following circumstances:

- contracts for waste management – which may be for up to 10 years
- particular supplies approved by the CEO of CM&C.

Councils and local government subsidiaries may apply to the CEO of CM&C for consideration of procurement contracts that are more than 5 years if the council or local government subsidiary believes on reasonable grounds that a longer contract period is necessary.

If you have any questions on the application of General Instruction 1 or wish to provide feedback, please email LG.Compliance@nt.gov.au.

Update on mandatory training

CM&C has engaged with key stakeholders in the local government sector, including representatives from councils, LGANT, ICAC and Industry Skills Advisory Council NT to establish the Local Government Training and Learning Steering Committee to develop a strategy to support governance in the sector.



As part of this strategy, CM&C is developing a suite of online learning modules to meet the mandatory training requirements under the *Local Government Act 2019*.

The initial modules in development include council member **roles and responsibilities**, the **Code of Conduct** and **conflicts of interest**.

CM&C is engaging with representatives from the sector to do a test run of the online modules and provide feedback to help ensure the content is accessible, easy to understand and relevant to the needs of council members.

Training commencement

It is planned CM&C will work with councils from September 2021 to run the first round of mandatory training, supported by these first three learning modules.

This first round of mandatory training will have three main objectives:

- to support all newly elected council members to comply with the requirement to complete approved mandatory training and have all members receive the same training as a starting point; and
- to obtain more information and feedback directly from council members in order to inform the development of the mandatory training framework for the future; and
- assist council members to perform their responsibilities and develop their governance knowledge.

CM&C will support compliance by maintaining a register of which council members have completed the mandatory training and will provide regular updates to councils. It is important that all council members participate – this builds effective teams early in the new term of council and enables experienced members to share their knowledge with new members.

Further information

For further information and support on the new local government legislation, please visit the [Local Government and Regional Development](#) website.

Any legislation or general policy related questions can be emailed to LGLaw@nt.gov.au and any finance or compliance related questions can be emailed to LG.Compliance@nt.gov.au.



What do you want to see in this newsletter?

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