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REVISED BORROWING ORDER

The Minister for Local Government has issued a revised Borrowing Order pursuant to section 624 of the *Local Government Act 1993*. The revised Order replaces the Order dated 27 September 1993.

The revised Order, which is attached to this circular, retains the limitation on councils to borrow only in Australia and in Australian currency. All other limitations or restrictions have been removed.

Nothing in this revised Order affects any borrowings made before the date of the new Order, which was made in compliance with the previous Ministerial Order dated 27 September 1993. Such borrowings are taken to be in compliance with this Order.

Councils are reminded that under their Charter they are to have regard to the long term and cumulative effects of their decisions. Accordingly, councils must exercise reasonable care and diligence that a prudent person would exercise when borrowing funds. The borrowing of money is not a function that council can delegate. It is expected that councillors would have a full understanding of the terms and conditions of borrowing arrangements before entering into any contract.



Ross Woodward
Acting Director General

Local Government Act 1993 – Borrowing Order
(Related to borrowings by Council)

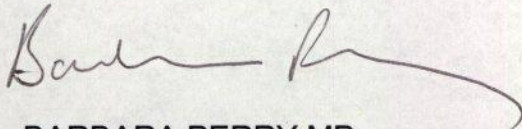
I, BARBARA PERRY MP, Minister for Local Government, in pursuance of section 624 of the Local Government Act 1993, hereby impose restrictions on borrowings by a council as follows:

A council shall not borrow from any source outside the Commonwealth of Australia nor in any other currency other than Australian currency.

Transitional Arrangements

Nothing in this Order affects any borrowings made before the date of this Order, which was made in compliance with the previous Ministerial Order dated 27 September 1993, and such borrowings are taken to be in compliance with this Order.

Dated this 13th day of May 2009



BARBARA PERRY MP
Minister for Local Government