

Circular Details	Circular No 19-14 / 10 July 2019 / A652389
Previous Circular	19-12 – <i>Consultation by IPART on recommended reforms to local government election costs and extension of the deadline for councils to make a decision on the administration of their elections</i>
Who should read this	Councillors / General Managers
Contact	Policy/Governance Teams / 02 4428 4100 / olg@olg.nsw.gov.au
Action required	Council to Implement

Recent amendments to the *Local Government Act 1993*

What's new or changing

- The *Local Government Amendment Act 2019* was assented to on 24 June 2019 and a number of provisions came into effect on 25 June 2019.
- This has amended the *Local Government Act 1993*, including:
 - enabling the Minister to extend the rates path freeze for an additional 12 months for those councils formed in 2016 that need more time to consult with communities about rating harmonisation; and
 - extending the 'cut-off date' for councils to make a decision on the administration of elections in 2020, and to require councils that do not enter into an arrangement with the Electoral Commissioner to engage an electoral services provider to administer elections (See *Circular 19-12*).
- Further changes have also come into effect, or will come into effect in future by proclamation, as indicated below.

What this will mean for your council

- Councils have until 1 October 2019 to resolve to enter into arrangements with the Electoral Commissioner, or an electoral services provider, to administer the 2020 ordinary council elections, and have until 1 January 2020 to enter into these arrangements (**commenced**).
- Councils formed in 2016 will be have their rate path freeze extended until 1 July 2021, unless they resolve to apply to the Minister to vary the existing rates path freeze determination and the determination is varied (**commenced**).
- The tendering threshold, below which councils do not have to undertake a competitive tendering process, has been increased to \$250,000. However, the threshold for contracts involving services provided by council employees at the time of entering the contract remains at \$150,000 (**commenced**).
- The *Public Interest Disclosures Act 1994* has been amended with the intention of allowing councils to report on their obligations under that Act in their own annual reports under the *Local Government Act 1993*, rather than by the current requirement to table a special report in Parliament (**commenced**). Councils should also note that further changes to relevant legislation and regulations will be made to facilitate this.
- Councils can procure the services of pre-qualified disability employment organisations approved under the *Public Works and Procurement Act 1912*, without having to go to tender (**commenced**).

- Councils should also note that the Minister intends to enable, by a future regulation, councils to access the *National Prequalification System for Civil Construction (Roads and Bridges) Contracts* after further consultation.
- Councils are able to delegate regulatory functions to another council, and to joint organisations of which they are not a member, with approval of that council or joint organisation. Further, joint organisations will be able to sub-delegate regulatory functions to their committees, in addition to their Executive Officer **(commences by proclamation)**.
- Regulations are able to be made to exempt councils from the need to publicly notify fees relating to certain defined commercial activities and from the need to determine those fees based on an adopted pricing methodology. This will ensure councils are not placed at unfair disadvantage during commercial negotiations **(commences by proclamation)**.
- Regulations are able to be made to prescribe a scheme for mutual recognition of council approvals for regulatory activities issued under section 68 of the Act **(commences by proclamation)**.

Key points

- The Office of Local Government (OLG) has provided a separate Circular to Councils about the new provisions in relation to elections (See *Circular 19-12*).
- New councils that need it will be able to seek more time to consult with local communities about rating harmonisation. OLG will write to all new councils shortly about what this means for them and next steps.
- OLG will consult further with local government before preparing regulations to support amendments that commence by proclamation. This includes potential regulations about sharing regulatory services, mutual recognition of approvals and exemptions from regulatory requirements for certain commercial activities.

Where to go for further information

- Further information can be found on OLG's website www.olg.nsw.gov.au.
- A copy of the amendment Act may be found on the NSW Legislation website www.legislation.nsw.gov.au.
- For further information, contact OLG's Governance Team (elections and procurement) and Policy Team (all other matters) on 02 4428 4100.



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