

South Australia

Local Government (Financial Management) (Review) Variation Regulations 2021

under the *Local Government Act 1999*

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Part 1—Preliminary

1—Short title

These regulations may be cited as the *Local Government (Financial Management) (Review) Variation Regulations 2021*.

2—Commencement

- (1) Subject to subregulations (2) and (3), these regulations come into operation on the day on which section 79(3) of the *Statutes Amendment (Local Government Review) Act 2021* comes into operation.
- (2) Regulation 4(2) comes into operation on the day on which section 79(2) of the *Statutes Amendment (Local Government Review) Act 2021* comes into operation.
- (3) Regulations 7 to 9 (inclusive) come into operation on the day on which section 84 of the *Statutes Amendment (Local Government Review) Act 2021* comes into operation.

3—Variation provisions

In these regulations, a provision under a heading referring to the variation of specified regulations varies the regulations so specified.

Part 2—Variation of *Local Government (Financial Management) Regulations 2011*

4—Variation of regulation 5—Long-term financial plans

- (1) Regulation 5(2)(b)—after "basis" insert:
 , including key assumptions,
- (2) Regulation 5—after subregulation (3) insert:
 - (4) The prescribed period for the purposes of section 122(1c) of the Act is 4 years.

5—Variation of regulation 6—Annual business plans

- (1) Regulation 6—after paragraph (e) insert:
 - (ea) a statement on the total expected revenue from general rates for the financial year compared to the total expected revenue from general rates for the previous financial year as set out in the annual business plan for that previous financial year (excluding rebates and remissions on rates that are not discretionary rebates or remissions);
 - (eb) a statement on the percentage change in the total expected revenue from general rates for the financial year compared to the total expected revenue from general rates for the previous financial year as set out in the annual business plan for that previous financial year (excluding rebates and remissions on rates that are not discretionary rebates or remissions);
 - (ec) if relevant, a statement on the average change in the expected rates for the financial year (expressed as a whole number of dollars) for each land use category declared as a permissible differentiating factor compared to the expected rates for each category for the previous financial year as set out in the annual business plan for that previous financial year;
- (2) Regulation 6—after its present contents as varied by this regulation (now to be designated as subregulation (1)) insert:
 - (2) If an annual business plan sets out a growth component in relation to general rates, it may only relate to growth in the number of rateable properties (and must not relate to growth in the value of rateable properties).

6—Insertion of regulation 10A

After regulation 10 insert:

10A—Internal control policies

For the purposes of section 125(2) of the Act, the policies, practices and procedures of internal financial control of a council must be in accordance with the *Better Practice Model—Internal Financial Controls*.

7—Variation of heading to Part 5

Heading to Part 5—delete "Audit" and substitute:

Council and regional audit and risk

8—Variation of regulation 17—Membership of council audit and risk committee

- (1) Regulation 17(1)—after "audit" insert:
 - and risk
- (2) Regulation 17(1)(b)—delete paragraph (b)

9—Insertion of regulations 17A and 17B

After regulation 17 insert:

17A—Membership of regional audit and risk committee

A regional audit and risk committee established by 2 or more councils—

- (a) must have between 3 and 5 members (inclusive); and
- (b) must not include, as a member, a constituent council's auditor under section 128 of the Act.

17B—Requirement to liaise with council auditor

For the purposes of sections 126(4)(e) and 126A(4)(e) of the Act—

- (a) a council audit and risk committee must liaise with the council's auditor by meeting with the auditor on at least 1 occasion each year on a confidential basis in circumstances where—
 - (i) a majority of the members of the committee are present; and
 - (ii) no members or employees of the council are present (other than members who are members of the committee); and
- (b) a regional audit and risk committee must liaise with the constituent councils' auditors by meeting with the auditors on at least 1 occasion each year on a confidential basis in circumstances where—
 - (i) a majority of the members of the committee are present; and
 - (ii) no members or employees of the constituent councils are present (other than members who are members of the committee).

Editorial note—

As required by section 10AA(2) of the *Subordinate Legislation Act 1978*, the Minister has certified that, in the Minister's opinion, it is necessary or appropriate that these regulations come into operation as set out in these regulations.

Made by the Governor

after consultation with the Local Government Association and with the advice and consent of the Executive Council
on 23 December 2021

No 194 of 2021