

Circular Details	Circular No 16-30 / 2 September 2016 / A512827
Previous Circular	16-01 New Local Government Act Development Consultation
Who should read this	Councillors / General Managers / All council staff
Contact	Council Governance Team - 02 4228 4100
Action required	Information

Local Government Amendment (Governance and Planning) Act

What's new or changing

- The NSW Parliament has passed amendments to the *Local Government Act 1993* (the LGA) known as the Phase 1 reforms, focussing mainly on improving council governance and strategic business planning.
- Some of the amendments are now in force. Other amendments will be put in place over time.

What this will mean for your council

The following relevant amendments are now in force:

- The term of office for a mayor elected by councillors will be **increased to two years** (section 230(1) LGA).
- All councillors, including mayors, are required to take an oath or affirmation of office (section 233A LGA).
- The organisational structure of a council is to be determined by:
 - The governing body of the council, in consultation with the general manager, for senior staff positions; and
 - The general manager, for the remainder of the positions in the organisation structure.
- Expenses and facilities policies are to be adopted by a council within 12 months of the term of a new council, instead of annually (section 252 LGA). Amendments to this policy are no longer required to be specifically notified to the Office of Local Government (section 253 LGA).
- The commencement of countback provisions has been deferred until a date prescribed for that purpose (section 291A). Any casual vacancies occurring in the office of a councillor following the 2016 ordinary elections will be required to be filled at a by-election held in accordance with section 291 of the LGA where otherwise required to be filled.

Key points

- Mayors elected by councillors on or after 30 August 2016 will hold office for two years.
- All mayors and councillors are required to take an oath or affirmation of office before they can perform their functions and duties.
- Determination of the organisation structure of a council is by the governing body of the council, in consultation with the general manager for senior staff positions and by the general manager for the remainder of the structure.
- Expenses and facilities policies are to be adopted by a council within 12 months of the term of a new council and policy amendments are no longer required to be specifically notified to the Office of Local Government.
- Countback provisions will not be available to fill casual vacancies occurring in the office of a councillor following the 2016 ordinary elections.
- Further Phase 1 amendments will be put in place over time and will be the subject of separate guidance.

Where to go for further information

- Contact the Council Governance Team at the Office of Local Government on 02 4228 4100 if you would like any further information.



Tim Hurst
Acting Chief Executive
Office of Local Government

Circular Details	Circular No 16-35 / 26 September 2016 / A514402
Previous Circular	16-01 New Local Government Act Development Consultation 16-30 Local Government Amendment (Governance and Planning) Act
Who should read this	Councillors / General Managers / All council staff
Contact	Council Governance Team / Performance Team - 02 4428 4100
Action required	Information

More Phase 1 amendments to the Local Government Act commenced by proclamation

What's new or changing

- As notified in Circular 16-30, the NSW Parliament passed amendments to the *Local Government Act 1993* (the LGA) in the *Local Government Amendment (Governance and Planning) Act 2016*. These reforms are known as the Phase 1 amendments.
- Some Phase 1 amendments commenced on 30 August 2016 and were notified to councils in Circular 16-30.
- Further Phase 1 amendments have now been commenced by proclamation, which was published on 23 September 2016 under the Notification-Gazette tab of the [NSW Legislation website](#).
- The remaining Phase 1 amendments will be put in place over time.

What this will mean for your council

The following Phase 1 amendments have been commenced by proclamation and are now in force:

- new purposes and principles for local government;
- new roles and responsibilities for mayors, councillors and governing bodies;
- new functions of general managers;
- a clarification of the role of administrators and temporary administrators;
- an extension to the delegation power of a council to include the acceptance of tenders by the general manager for services, where those services are not currently provided by council staff; and
- a clarification that a mayor elected by councillors does not continue to hold mayoral office if they cease to hold office as a councillor.

The Phase 1 reforms that appoint the Auditor-General as the auditor of all councils come into force on 1 October 2016. Transition arrangements, including for new councils, for the 2015-16 and 2016-17 financial periods are set out in Schedule 8 of the LGA and in the *Local Government (General) Regulation*.

Key points

- Mayors, councillors and council staff will need to become familiar with the new roles and responsibilities that are set out in the LGA.
- The NSW Audit Office will be in direct contact with all councils in connection with the Auditor-General's new role and the proposed transitional arrangements.
- Councils will need to notify the Auditor-General in writing of all council entities (including partnerships, trusts, corporations, joint ventures, syndicates or other bodies the council has formed or has a controlling interest in) in existence on 1 July 2016, by **31 December 2016**.
- Councils may now delegate to the general manager the function of accepting tenders for services, where those services are not currently provided by council staff.

Where to go for further information

In relation to auditing changes, please contact the Performance Team, and regarding other changes, please contact the Council Governance Team, at the Office of Local Government on 02 4428 4100.



Tim Hurst
Acting Chief Executive
Office of Local Government