



Department of Jobs,
Precincts and Regions

Proposed Local Government (Planning and Reporting) Regulations 2020

SUMMARY

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The *Local Government Act 2020* (LGA 2020) is coming into effect in stages with the third stage commencing on 24 October 2020. As part of the third stage, new provisions relating to councils' strategic plans will come into operation under the LGA 2020, at the same time that equivalent provisions under the Local Government Act 1989 (LGA 1989) and associated Regulations are repealed. It is proposed that new Local Government (Planning and Reporting) Regulations 2020 (Regulations 2020) which relate to councils' strategic plans be made and come into operation on 24 October 2020.

The proposed Regulations 2020 will substantially replicate the current Regulations 2014, which will be repealed on 24 October 2020. They will prescribe the information to be included in councils' Council Plan, budget, and annual report, as well as continuing to provide a mandatory system of performance reporting for all councils. The only variations proposed by the Regulations 2020 will be to reflect the new strategic plans being introduced by the LGA 2020, specifically the four-year budget, and the 10-year Financial Plan.

Further amendments may be proposed to the Regulations 2020 at a later date in 2021, following completion of the co-design work relating to the integrated strategic planning and reporting framework supported by Local Government Victoria.

Further information on the proposed Regulations 2020 is outlined in the table below.

Topic	Current equivalent requirements Local Government (Planning and Reporting) Regulations 2014	Proposed Regulations 2020
Four-year Budget (and revised budget)	Part 2 Strategic Resource Plan Part 3 Budget	The following information must be contained in the four-year budget or revised budget: Financial Statements (four-year period) <ul style="list-style-type: none">Statement of capital works to be in the form set out in the Local Government Model Financial Report. Other information (first year of budget only) <ul style="list-style-type: none">List of capital works expenditure and a summary of funding sources in relation to the capital works expenditure.Statement of human resources, including a summary of expenditure in relation to the human resources, and a summary of the number of full time equivalent council staff.A list of grants by type and source.The total amount borrowed as at 30 June of the first budget year, including the amount borrowed compared with the previous financial year, or any additional amount borrowed in a revised budget (if applicable).The rate in the dollar to be levied through general rates for each class of land and other relevant information in relation to the declaration and levying of rates and charges.

Topic	Current equivalent requirements Local Government (Planning and Reporting) Regulations 2014	Proposed Regulations 2020
		<p>Other information (subsequent three-year period of budget)</p> <ul style="list-style-type: none"> • Summary of planned capital works expenditure and a summary of funding sources in relation to the capital works expenditure. • Statement of human resources, including a summary of planned expenditure in relation to the human resources, and a summary of the planned number of full time equivalent council staff. <p><i>Note: The information to be contained in the budget and revised budget is identical to the information contained in Parts 2 and 3 of the current Regulations 2014 (except to the extent it relates to a four-year budget period).</i></p>
10-year Financial Plan	N/A	<p>The following information must be contained in the 10-year Financial Plan:</p> <p>Statements of financial resources (10-year period)</p> <ul style="list-style-type: none"> • Statement of capital works to be in the form set out in the Local Government Model Financial Report. <p>Other information (10-year period)</p> <ul style="list-style-type: none"> • List of capital works expenditure and a summary of funding sources in relation to the capital works expenditure. • Statement of human resources, including a summary of expenditure in relation to the human resources, and a summary of the planned number of full time equivalent council staff.
Annual Report	Part 4 Annual Report	<p>The following information must be contained in the Annual Report:</p> <p>Report of operations</p> <ul style="list-style-type: none"> • The results achieved in relation to the service performance indicators and measures and the corresponding results for the preceding three financial years, and an explanation of any material variations between these performance results. Statement of capital works to be in the form set out in the Local Government Model Financial Report. • The council's assessment against the governance and management checklist. • Other general information relating to the operations of the council. <p><i>Note: The information to be contained in the report of operations is identical to the information contained in Part 4 of the current Regulations 2014 (except with slight variation to reflect the new heads of power under the Local Government Act 2020).</i></p>

Topic

Current equivalent requirements
Local Government (Planning and Reporting)
Regulations 2014

Proposed Regulations 2020

Performance statement

- The results achieved in relation to the service performance, financial and sustainable capacity indicators and measures and the corresponding results for the preceding three financial years.
- The results forecast in the budget to be achieved in relation to the financial indicators and measures.
- Other information in relation to the municipal district and an explanation of any material variations between the performance results for the current period and preceding and forecast periods.

***Note:** The information to be contained in the performance statement is identical to the information contained in Part 4 of the current Regulations 2014 (except with slight variation to reflect the new heads of power and the four year budget under the Local Government Act 2020).*

The Regulations will also prescribe the process for certifying the performance statement by councils.

***Note:** The process for certifying the performance statement is identical to the process contained in Part 4 of the current Regulations 2014 (except with slight variation to reflect the new heads of power under the Local Government Act 2020)*

Financial statements

- Statement of capital works to be in the form set out in the Local Government Model Financial Report.
- The amounts of money and assets held in trust, the purposes for which they are held and the nature of any restrictions on the way in which the money and assets may be applied.
- List of grants by type and source.
- All assets and liabilities committed to joint venture activities.
- Comparison of the income and expenditure between the financial statement in the annual report and budget or revised budget, and an explanation of any material variation identified.
- Comparison of the capital expenditure in the statement of capital works in the annual report and budget or revised budget, and an explanation of any material variation identified.

***Note:** The information to be contained in the financial statement is identical to the information contained in Part 4 of the current Regulations 2014 (except with slight variation to reflect the new heads of power under the Local Government Act 2020).*

The Regulations will also prescribe the process for certifying the financial statements by councils.

Topic	Current equivalent requirements Local Government (Planning and Reporting) Regulations 2014	Proposed Regulations 2020
Governance and Management checklist	Schedule 1	<p data-bbox="1088 261 1962 344"><i>Note: The process for certifying the financial statements is identical to the process contained in Part 4 of the current Regulations 2014 (except with slight variation to reflect the new heads of power under the Local Government Act 2020)</i></p> <hr/> <p data-bbox="1088 395 1953 451">The Regulations will prescribe the Governance and Management checklist for the purposes of the report of operations in the Annual Report.</p> <p data-bbox="1088 459 1984 544"><i>Note: The Governance and Management checklist is identical to the checklist in Schedule 1 to the current Regulations 2014 (except with slight variation to reflect the new heads of power under the Local Government Act 2020).</i></p>
Service performance indicators and measures	Schedule 2	<p data-bbox="1088 635 2016 691">The Regulations will prescribe the Service performance indicators and measures for the purposes of the report of operations in the Annual Report.</p> <p data-bbox="1088 699 1984 783"><i>Note: The Service Performance indicators and measures are identical to those in Schedule 2 to the current Regulations 2014 (except with slight variation to reflect the new heads of power under the Local Government Act 2020).</i></p>
Performance indicators	Schedule 3	<p data-bbox="1088 834 2016 919">The Regulations will prescribe the Service, Financial and Sustainable Capacity Performance indicators and measures for the purposes of the performance statement in the Annual Report.</p> <p data-bbox="1088 927 1984 1007"><i>Note: The Service Performance indicators and measures are identical to those in Schedule 2 to the current Regulations 2014 (except with slight variation to reflect the new heads of power under the Local Government Act 2020).</i></p>