

**2005**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**FINANCIAL MANAGEMENT LEGISLATION AMENDMENT BILL 2005  
EXPLANATORY STATEMENT**

**Circulated with the authority of  
Ted Quinlan MLA  
Treasurer**

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## **Outline**

The *Financial Management Act 1996* (the Act) provides the regulatory framework for the Territory's fiscal operations. It is therefore important to ensure that the Act helps to provide a fundamentally sound financial management framework within which the Territory can operate and that the obligations imposed by the Act are clear and unambiguous.

The object of this Bill is to propose amendments to the Act designed to ensure that it remains strong and effective in regulating the conduct of the Territory's fiscal operations. The changes proposed in this Bill are a mixture of policy and technical changes, and reflect the continuing need to pursue optimal procedural and legislative standards. The significant areas of change to be made by the Bill are outlined below.

### **Appropriation Framework**

The amendments broaden the appropriation framework to allow appropriations to be made directly to territory authorities and territory owned corporations. This enables the cessation of many of the quasi-service purchasing arrangements that currently exist between departments and these entities. It will also reduce the level of complexity and administration in departments, and is consistent with appropriation models in a number of other Australian jurisdictions.

Where appropriate, certain territory authorities and/or territory owned corporations will also be required to disclose output performance criteria in budget papers and report their performance against these criteria in their annual report to ensure an appropriate level of accountability is maintained for key appropriations. This ensures that accountability and disclosure are not diluted by what is largely a technical change to the appropriation framework.

### **GAAP/GFS Convergence**

The Australian Accounting Standards Board (AASB) has circulated a draft of the proposed changes to public sector financial reporting as part of the Generally Accepted Accounting Principles and Government Finance Statistics (GAAP/GFS) convergence project. The currently proposed changes will mandate the inclusion of an "original budget" column in government annual financial statements. It is also possible that the new Standard will also require the inclusion of an additional column for a "revised budget".

In order to align the Act with minimum reporting requirements, the Bill proposes amendments to section 27, "Annual Financial Statements of Departments", that requires departments to report in their annual financial statements against the original budget.

While the proposed AASB change may retain a "revised budget", it is different in concept to the amended budget provisions currently included in section 19F. Section 19F enables financial reporting against a budget adjusted for all appropriation amendments made during the year that are approved by the Executive under the Act, eg increases from Commonwealth grants. The discussed use of a "revised budget" in

the proposed Standard has only been in relation to appropriation amendments included in the budget papers for a supplementary appropriation act.

As a result, the current budget amendment approval processes provided under section 19F for appropriation changes approved by the Executive are no longer required. Consequently, the Bill proposes the deletion of section 19F.

The removal of section 19F is unlikely to have a significant impact on the timeliness and value of notifying the Legislative Assembly to changes in agencies' financial operations from an appropriation variation. Generally, due to the significant administrative effort required by both agencies and Treasury to prepare this instrument, section 19F instruments are left until the end of the financial year to encompass all appropriation variations for each agency in a single instrument. Consequently, the Assembly is informed of section 19F budget revisions when the instrument is tabled during the August sitting period following the relevant financial year, often well after the original appropriation variation was authorised.

### **Performance Measurement Framework**

The revised performance measurement framework, implemented with the 2005-06 Budget, aims to provide more meaningful and useful measures for the Legislative Assembly and the Community. The new framework provides for different levels and categories of performance measures: those that measure performance against longer-term and strategic outcomes and those that measure a department's effectiveness and efficiency in delivering outputs.

However, meaningful and useful indicators of a department's and the government's performance do not always easily lend themselves to a full audit opinion, which is the case under the current provisions of the Act. Often quite meaningful indicators for the Community, particularly those in the human services area, tend to be "softer" measures, ie measures that are not as easily and readily quantified and verified as financial statements information can.

The amendments provide some flexibility to support the improvements under the new performance measurement framework. Performance measures that measure a department's effectiveness and efficiency in delivering outputs that will be subject annually to a degree of scrutiny by the auditor-general to ensure an appropriate level of accountability. However, to allow for more appropriate performance measures, this scrutiny will no longer be held to the strict requirements of a financial statements audit under the Australian Auditing and Assurance Standards, but to a level of scrutiny more suitable for the audit of performance measures. Additionally, measures that measure performance against longer-term and strategic outcomes will be exempt from annual scrutiny by the auditor-general, due to the nature of these measures.

The amendments also alter the current requirement for departments to report quarterly against the delivery of outputs to a requirement to prepare a report as at end December each year, and then include a separate report against the full year in annual reports. This amendment is consistent with the objective of improving performance reporting through an increased emphasis on higher quality measures and reporting, but with a lower frequency of reporting.

## **Refinement of Departmental Chief Executive Responsibilities**

The lack of relevance and usefulness of the “financial targets” of departments currently required under section 31(2)(b), and published in the Budget Papers under section 12(1)(d) has been highlighted, particularly in light of a number of recent improvements to the ACT Government’s performance measurement framework, discussed above. The targets published are largely technical accounting measures and, hence have proved not to be particularly meaningful for either the Assembly or the community, who tend to use the budgeted financial and output statements to assess agencies' performances.

The Bill proposes to amend section 31 (2) (b) so that chief executives will be responsible for ensuring that, as far as practicable, the department’s operations for a financial year are consistent with and comparable to the department’s proposed budget for the year, rather than the set of financial targets published in the budget papers. While departments’ operations may vary, in legitimate circumstances, from budget, the amendments also require that material variances from budget must be included in the department’s annual report. It is envisaged these explanations will form part of departments’ Management Discussion and Analysis (MD&A) information, which is presented alongside departments’ annual financial statements.

As a consequence of this refinement in departmental chief executive responsibilities, the Bill also proposes the deletion of section 12 (1) (d) and section 19E (Amendment of financial targets).

## **Territory Authority Credit Facility**

Under the Act’s current provisions, a loan or borrowing may be issued to a territory authority through an appropriation and repaid. However, it cannot be accessed again without additional appropriation. This mechanism is appropriate for loans or borrowings provided on a one-off basis. However, it is not appropriate for an overdraft or credit facility, which is intended to be accessed temporarily, repaid and accessed again etc to manage temporary cash shortfalls for project-type operations. In this case, it is extremely difficult to accurately predict the gross annual appropriation that an authority may require.

The amendments allow the Treasurer to approve these kinds of overdrafts from the Territory Banking Account outside the annual appropriation process. This approval will be a disallowable instrument in order to maintain the Assembly’s important role in scrutinising new agency borrowings as well as the Assembly’s participation in the approval process. Importantly, this approval process ensures that the Assembly is able to agree to the maximum exposure of an authority under an overdraft, rather than the turnover during the year.

For example, an overdraft with a \$50m limit that was accessed and repaid 4 times each year would, under the amended provisions, be approved at the net borrowing amount \$50m, rather than the gross borrowing amount of \$200m (4 x \$50m) required under the current provisions.

Any overdraft or credit facility approved under the amended provisions will also be subject to the Treasurer’s annual review, in consultation with the relevant authority

and portfolio minister. The results of the review will be included in the authority's annual Statement of Intent. Where a review finds that the conditions of the overdraft should be altered, a new disallowable instrument will be tabled in the Assembly.

### **Territory Authority Governance Arrangements**

This Bill also aims to standardise and strengthen the governance and accountability arrangements across prescribed statutory authorities and remove corresponding provisions from the relevant enabling legislation. Essentially, the governance framework will overarch the legislation establishing each authority by extending the scope of the *Financial Management Act 1996* so as to:

- clarify ministerial, board and management roles and responsibilities;
- distinguish between governing boards and advisory boards;
- require each territory authority to have a chief executive officer appointed by the governing board, the chief executive of the relevant portfolio department, or by the responsible Minister;
- specify the process for appointing board members and the chief executive officer;
- specify general duties of the chair, the deputy chair and the chief executive officer;
- impose standards of conduct that require board members to act honestly, exercise reasonable care and diligence, and avoid placing themselves in positions that may give rise to conflict of interest during the performance of their functions as board members;
- provide clear guidance for resolving conflicts of interest and disclosure;
- require territory authorities to operate in a manner that is consistent with government policies, plans and objectives;
- require territory authorities to obtain the Executive's written approval for participating in the formation of companies, partnerships, and trusts;
- require territory authorities to keep the responsible Minister and the Treasurer informed of their operations and provide notification of significant events; and
- make each territory authority accountable for ensuring that it is operating within its statutory objectives and the statement of intent agreed with the Treasurer.

### **Financial Implications**

The proposed amendments are largely technical in nature and the financial implications are considered negligible.

## **Financial Management Legislation Amendment Bill 2005**

### **Clauses**

**Clauses 1, 2 and 3** are formal requirements. Respectively, they refer to the name of the Act, the commencement dates of the Act and declare that the *Financial Management Act 1996* is being amended.

#### **Clause 4: Section 3B**

This clause broadens the circumstances under which certain bodies can be declared not to be territory authorities for the Act. Section 3B (1) is similar to the current provision of the Act, but applies only to those bodies that are not listed in the new section 54 (1).

Section 3B (2) is new. It allows authorities listed in the new section 54 (1) declared not to be a territory authority for any provision of the Act other than section 73 (1), to ensure that these authorities can only change their corporate status through the enactment of amending legislation.

Instruments issued under section 3B are notifiable instruments.

#### **Clause 5: Section 8**

This clause broadens the types of entities to which the Government may appropriate through an appropriation act to include territory authorities under the Act and territory owned corporations. Section 8 (1) remains the same as the current provisions of the Act, except for a simple drafting change.

Section 8 (2) is new. It allows selected territory authorities under the Act and territory owned corporations to be appropriated for the provision of outputs and/or for any capital injection.

#### **Clause 6: Budget Papers Section 10 (c)**

This clause broadens the entities that must be disclosed in budget papers to include all territory authorities under the Act and territory owned corporations, rather than limiting disclosure to just public trading enterprises (PTEs). While this amendment formalises the traditional breadth of disclosure in published budget papers, it also ensures the current level of disclosure and accountability is not diluted with the amendments broadening the appropriation framework at clause 5.

The amendments relating to section 10 of the Act apply in relation to the financial year commencing on 1 July 2006 (ie the 2006-07 financial year) and all subsequent financial years (see new section 110).

#### **Clause 7: Section 12**

This clause deletes section 12 (1) (d) from the Act as a consequence of the refinement in departmental chief executive responsibilities (section 31 (2) (b)) discussed in the “Overview” above.



This clause also clarifies the wording of sections 12 (1) (b), 12 (3) and 12 (4) and is consistent with current practice in the budget papers. The revised provisions for sections 12 (3) and 12 (4) require that the proposed budget for a department must:

- facilitate comparison between the proposed budget, the budget for the previous financial year and the estimated results for the previous financial year; and
- include, for the financial statements required under the financial management guidelines, budget estimates for each of the next three financial years.

The amendments relating to section 12 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

### **Clause 8: Section 12A**

This clause supports the amendment at clause 6 and outlines the budget paper requirements for territory authorities and territory owned corporations. As with clause 6, while the amendment formalises current practice in the budget papers, it also allows Government to maintain a level of disclosure and accountability for appropriations similar to the level that currently applies to departments.

The amended provisions will require the budget papers to disclose for each territory authority and territory owned corporation:

- the financial statements prescribed under the financial management guidelines;
- where a territory authority or territory owned corporation is prescribed for this purpose, a statement that sets out the outputs and output classes will provide during the year and the associated performance criteria; and
- where a territory authority or territory owned corporation is appropriated with a repayable capital injection, a statement that says that it is repayable and that sets out the conditions of the injection including the repayment term.

The proposed budget for a territory authority or territory owned corporation must also:

- facilitate comparison between the proposed budget, the budget for the previous financial year and the estimated results for the previous financial year; and
- include, for the financial statements required under the financial management guidelines, budget estimates for each of the next three financial years.

The amendments relating to section 12A of the Act apply in relation to the financial year commencing on 1 July 2006 (ie the 2006-07 financial year) and all subsequent financial years (see new section 110).

### **Clause 9: Supplementary budget papers Section 13 (2) to (5)**

This clause broadens the requirements of supplementary budget papers, in line with the broadening of the appropriation framework, under clause 5, to include territory authorities and territory owned corporations. Under this amendment, the requirements that currently apply to departments under section 13 remain unchanged.

However, these requirements have been extended to ensure territory authorities and/or territory owned corporations are also included in supplementary budget papers where they are included in a supplementary appropriation bill.

The amendments relating to section 13 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

#### **Clause 10: Section 13A**

Similar to clause 9, this clause broadens the amendment of budgets for a supplementary appropriation to include territory authorities and territory owned corporations. Under this amendment, the requirements that currently apply to departments under section 13A remain the same. However, these requirements have been extended to allow the budgets of territory authorities and/or territory owned corporations to be amended, where they are included in a supplementary appropriation act.

The amendments relating to section 13A of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

#### **Clause 11: Section 16**

This clause broadens the ability to transfer appropriations because of a functional transfer, in line with the broadening of the appropriation framework under clause 5, to include territory authorities and territory owned corporations. While there are a number of improvements in drafting, the requirements that currently apply to departments under section 16 remain the same. However, these requirements have been extended to also allow the transfer of appropriation where functional transfers include a territory authority or territory owned corporation.

#### **Clause 12: Section 19C**

This clause broadens the ability to amend capital injection conditions, in line with the broadening of the appropriation framework under clause 5, to include territory authorities and territory owned corporations. While there are a number of improvements in drafting, the requirements that currently apply to departments under section 19C remain the same. However, these requirements have been extended to also allow the conditions of any repayable capital injection appropriated to a territory authority or territory owned corporation to be amended.

#### **Clause 13: Section 19D**

This clause broadens the ability to amend performance criteria, in line with the broadening of the appropriation framework under clause 5, to include territory authorities and territory owned corporations prescribed for the purposes of section 12A (1) (b). While there are a number of improvements in drafting, the requirements that currently apply to departments under section 19D remain the same. However, these requirements have been extended to also allow the performance

criteria included in budget papers for a prescribed territory authority or territory owned corporation to be amended.

**Clause 14: Amendment of financial targets Section 19E**

This clause deletes section 19E from the Act as a consequence of the refinement in departmental chief executive responsibilities (section 31 (2) (b)) discussed in the “Overview” above.

**Clause 15: Amendment of budgets Section 19F**

This clause deletes section 19F from the Act, as this section will become redundant under the AASB’s proposed changes to public sector financial reporting as part of the GAAP/GFS convergence project discussed in the “Overview” above.

**Clause 16: Purpose and contents of pre-election budget update Section 20D (3) (b)**

This clause improves the clarity of section 20D (3) (b) by ensuring the budget estimates referred to in this section are consistent with the terms used in section 10 (d).

**Clause 17: Annual financial statements of the Territory Section 22 (2)**

This clause corrects the references to “generally accepted accounting *practices*” to “generally accepted accounting *principles*”.

The amendments relating to section 22 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**Clause 18: Responsibility for annual financial statements Section 23 (2) (b)**

This clause corrects the references to “generally accepted accounting *practices*” to “generally accepted accounting *principles*”.

The amendments relating to section 23 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**Clause 19: Audit of annual financial statements Section 24 (1)**

This clause deletes the phrase “a copy of” to ensure that the Auditor-General receives and scrutinises the "original" annual financial statements.

**Clause 20: Section 24 (2)**

This clause deletes the phrase “a copy of” to ensure that the Auditor-General receives and scrutinises the "original" annual financial statements.

**Clause 21: Section 24 (3) (a)**

This clause deletes the phrase “a copy of” to ensure that the Auditor-General receives and scrutinises the "original" annual financial statements.

The amendments relating to section 24 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**Clause 22: Division 3.2 heading**

This clause amends the heading of Division 3.2 as a consequence of amendments in this Bill.

**Clause 23: Annual financial statements of departments Section 27 (2)**

This clause corrects the references to “generally accepted accounting *practices*” to “generally accepted accounting *principles*”.

**Clause 24: Section 27 (3) (b)**

This clause removes the requirement to include a statement of performance in departments’ annual financial statements. The statement of performance will be a separate report and subject to the requirements outlined below under new sections 30A-30D (see clause 30 below).

**Clause 25: Section 27 (3)**

This clause renumbers section 27 (3) when the Act is next republished under the *Legislation Act 2001*, as a consequence of the amendments in this Bill.

**Clause 26: Section 27 (4) and (5).**

This clause removes the requirements relating to a statement of performance’s content, as a consequence of amendments in this Bill. This clause also requires that the budget reported in departments annual financial statements is, at a minimum, the "original budget" - ie the budget estimates that accompany the first appropriation act for the year - in line with AASB’s proposed changes to public sector financial reporting as part of the GAAP/GFS convergence project, discussed in the “Overview” above.

The amendments relating to section 27 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**Clause 27: Section 28.**

This clause revises section 28 to remove references related to the statement of performance and to improve the drafting of this section.

The amendments relating to section 28 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**Clause 28: Audit of financial statements of departments Section 29 (1)**

This clause deletes the phrase “a copy of” to ensure that the Auditor-General receives and scrutinises the "original" annual financial statements.

**Clause 29: Section 29 (2)**

This clause deletes the phrase “a copy of” to ensure that the Auditor-General receives and scrutinises the "original" annual financial statements and improves the drafting of this section.

The amendments relating to section 29 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**Clause 30: Section 30A**

This clause renumbers and amends the requirements of departments’ periodic performance reports, under the current section 30A, and inserts four new sections relating to departments’ annual statements of performance.

The **new section 30A Statements of performance of departments** is the first of four new sections relating to departments’ annual statements of performance. Section 30A requires departments to prepare a statement of performance as soon as practicable after the end of the financial year. A statement must:

- compare the department’s actual performance in providing each class of outputs with the revised budget for the year; and
- state the extent to which the output performance criteria set out in the budget were met.

The amendments relating to section 30A of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 30B Responsibility for departmental statements of performance** requires a department’s statement of performance to have endorsed on or attached to it a statement of responsibility signed by the responsible chief executive. The statement of responsibility must state that, in the chief executive’s opinion, the statement of performance fairly reflects the performance of the department in delivering each class of outputs during the financial year.

The amendments relating to section 30B of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 30C Scrutiny of departmental statements of performance** requires a department's chief executive to give the auditor-general the department's statement of performance for the financial year with a signed statement of responsibility, as soon as practicable after statement is prepared. The auditor-general must provide a report about the statement of performance to the chief executive as soon as practicable after the auditor-general has received it.

The scope and the type of report provided by the auditor-general will be defined by financial management guidelines. This change supports the new performance measurement framework that commenced with the 2005-06 Budget, discussed in the "Overview" above, and provides flexibility to refine audit requirements, particularly where it is necessary to modify the number and names of categories of performance measures under the new framework.

The amendments relating to section 30C of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 30D Presentation of departmental statements of performance** requires the responsible Minister of a department to present a copy of the department's annual statement of performance and the associated auditor-general's report to the Assembly within 6 sitting days after the responsible chief executive receives the auditor-general's report.

The amendments relating to section 30D of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 30E Half-yearly departmental performance reports** replaces section 30A *Quarterly departmental performance reports*. The title of this section has been changed and the section has been amended. Under the amended requirements, Ministers will, for each department within their responsibility, prepare and provide the Legislative Assembly with a half-yearly performance report within 30 days after 31 December of each year. The report must include a progress report on the relevant department's delivery of outputs and an explanation of any significant variations.

Departmental performance reports for the year ending 30 June will be provided to the Legislative Assembly though the statement of performance included in each department's annual report, as outlined above.

The amendments relating to section 30E of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

### **Clause 31: Section 31**

This clause improves the drafting of section 31 (2). Additionally:

- section 31 (2) (b) is amended, as discussed on the "Overview" above, so that chief executives are responsible for ensuring that, as far as practicable, the

department's operations for a financial year are consistent with and comparable to the department's proposed budget for the year, rather than the set of financial targets published in the budget papers;

- in section 31 (2) (d), the reference to “generally accepted accounting *practices*” is corrected to “generally accepted accounting *principles*”; and
- section 31(3) requires that material variances from budget must be included in the department's annual report. It is envisaged these explanations will form part of departments Management Discussion and Analysis (MD&A) information, which is presented alongside departments' annual financial statements.

The amendments relating to section 31 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

### **Clause 32: Payments from territory banking account Section 37 (1)**

This clause supports the amendment at clause 5 and allows appropriations made to territory authorities and territory owned corporations to be paid to their respective banking accounts from the territory banking account. The requirements that currently apply to departments under section 37(1) remain the same.

### **Clause 33: Section 37 (2) (d)**

This clause updates the section number reference, as a consequence of the amendments in this Bill.

### **Clause 34: New section 37 (3)**

This clause supports the amendments to section 59 (see clause 37) that clarify the requirements surrounding the approval and issue of an overdraft or credit facility to a territory authority from the territory banking account. This amendment allows amounts to be issued under an approved overdraft or credit facility without the need for an annual appropriation.

### **Clause 35: New sections 51A, 51B, and 51C**

This clause inserts three new sections that clarify the requirements for transfers relating to trust money.

**New Section 51A Transfer of departmental trust banking accounts** allows the Treasurer, where there are related changes in departmental responsibilities, to direct the transfer a trust banking account from one department to another.

**New Section 51B Transfers between trust banking accounts-changes in departmental responsibilities** allows the Treasurer, where there are related changes in departmental responsibilities, to direct the transfer an amount held in a department's trust banking account to the trust banking account of another department.

**New Section 51C Transfers between trust banking accounts-investment** allows amounts to be transferred at any time between trust banking accounts to facilitate the investment of trust money. This section was previously section 52 (2) and has been separated to improve the clarity of the Act.

**Clause 36: Section 52**

This clause amends section 52 to reflect the separation of section 52 (2) into the new section 51C to improve the clarity of the Act.

**Clause 37: Part 8**

This clause amends Part 8 of the Act by inserting new sections, amending existing sections, and renumbering sections. Explanatory statements are provided only for new sections and substantially revised existing sections.

**New Section 54 Application-pt 8** has been included to list the territory authorities to which Part 8 shall apply. Part 8 may also apply to territory authorities that are prescribed for this purpose under the financial management guidelines.

**New section 55 Responsibilities of chief executive officers of territory authorities** outlines the responsibilities of a chief executive officer for a territory authority that does not have a governing board. This amendment means it is the chief executive officer who is responsible for the efficient and effective financial management of an authority that does not have a governing board. Additionally:

- section 55 (3) (b) supports amendments at clause 5 and requires that an appropriation issued to a territory authority may only be spent in accordance with its purpose;
- section 55 (3) (c) requires that, as far as practicable, the authority’s operations for a financial year are consistent with and comparable to the authority’s statement of intent for the year;
- in section 55 (3) (f), the reference to “generally accepted accounting *practices*” is corrected to “generally accepted accounting *principles*”; and
- section 55(4) requires that material variances from the statement of intent must be included in the authority’s annual report. It is envisaged these explanations will form part of authorities Management Discussion and Analysis (MD&A) information, which is presented alongside authorities’ annual financial statements.

**New section 56 Responsibilities of governing boards of territory authorities** applies to territory authorities with a governing board. This amendment means that the governing board has collective responsibility for the efficient and effective financial management of the authority. Additionally:

- section 56 (3) (b) supports amendments at clause 5 and requires that an appropriation issued to a territory authority may only be spent in accordance with its purpose;



- section 56 (3) (c) requires that, as far as practicable, the authority’s operations for a financial year are consistent with and comparable to the authority’s statement of intent for the year;
- in section 56(3)(f), the reference to “generally accepted accounting *practices*” is corrected to “generally accepted accounting *principles*”; and
- section 56(4) requires that material variances from the statement of intent must be included in the authority’s annual report. It is envisaged these explanations will form part of authorities Management Discussion and Analysis (MD&A) information, which is presented alongside authorities’ annual financial statements.

**New Section 57 Banking accounts of territory authorities** merely renumbers and amends the title of section 55 *Banking accounts*.

**New Section 58 Investment by territory authorities** merely renumbers and amends the title of section 56 *Investment*.

**New Section 59 Borrowing by territory authorities** replaces section 57 *Borrowing*. The title of this section has been changed and section 59 (5)-(10) is new and clarifies the process for the Treasurer to approve a credit facility or overdraft from the territory banking account to a territory authority.

The new provisions allow the Treasurer to approve an overdraft or credit facility from the Territory Banking Account to a territory authority outside the annual appropriation process. However, this approval must be in the form of a disallowable instrument in order to maintain the Assembly’s important role in scrutinising new agency borrowings as well as the Assembly’s participation in the approval process. Importantly, this approval process provides the Assembly with an opportunity to agree to the maximum exposure of an authority under an overdraft, rather than the anticipated turnover during the year.

The Treasurer’s approval of an overdraft or credit facility must state the purpose of the facility, the maximum amount that may be outstanding at any time, and conditions about the repayment of principal, the interest rate, and repayment of interest. Each overdraft or credit facility approved by the Treasurer under the new provisions will also be subject to annual review, the results of which will be included in the authority’s annual statement of intent [see the new section 61 (5) (f)].

**New Section 60 Guarantees by territory authorities** stipulates that the Treasurer must give written approval for a territory authority to give a guarantee.

**New Section 61 Territory authority statements of intent** replaces section 58 *Statements of Intent*. The title of this section has been changed and the section has been substantially amended.

The existing section 58 requires each territory authority to prepare a statement of intent every financial year in accordance with Treasurer’s instructions. The statement should include financial and performance information, objectives, the nature and scope of the activities for the year, and any other information required by the Treasurer.

The proposed amendment clarifies and expands the section by specifying the following additional requirements:

- consultation with the responsible Minister in preparing the statement of intent (section 61(2)) and take into consideration any comment by the responsible Minister before giving it to the Treasurer (section 61(3));
- the Statement of Intent must be in the form required by the Treasurer and as agreed with the relevant person for the authority. If the authority has a governing board, the relevant person is the Chair. If the authority does not have a governing board, the relevant person is the chief executive officer (section 61(4));
- the objectives, nature and scope of activities, performance and other measures should be provided for the financial year under consideration and each of the next three financial years (section 61(5)(b), (c) and (d));
- a review and analysis of the preceding year's operations and performance against that year's objectives, targets and performance and other criteria (section 61(5)(e)); and
- the results, where relevant, of any review of an overdraft or credit facility in the previous year (section 61(5)(f)).

The amendments relating to section 61 of the Act apply in relation to the financial year commencing on 1 July 2006 (ie the 2006-07 financial year) and all subsequent financial years (see new section 110).

**New section 62 Presentation of statements of intent of territory authorities** requires the Treasurer to present the annual statement of intent of each territory authority to the Legislative Assembly with the annual budget papers. The Treasurer must explain to the Legislative Assembly the reasons for not presenting any statement of intent with the Budget papers. The Treasurer must then present the relevant statement of intent as soon as practicable after presenting the budget papers.

The amendments relating to section 62 of the Act apply in relation to the financial year commencing on 1 July 2006 (ie the 2006-07 financial year) and all subsequent financial years (see new section 110).

**New Section 63 Annual financial statements of territory authorities** replaces and amends section 59 *Annual financial statements*. Equivalents of subsections 59 (3) (b) and (4) have been removed, as the statement of performance will be subject to the requirements outlined below under new sections 68-71.

New subsection 63 (3) (b) requires the financial statements to include, where appropriate, an explanation of any changes to the conditions of a repayable capital injection set out under section 12A (1) (c) (ii) identified in the proposed budget for a financial year. This latter change ensures the current level of accountability is not diluted with the broadening of the appropriation framework under clause 5.

The amendments relating to section 63 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 64 Responsibility for annual financial statements of territory authorities** replaces and amends section 60 to reflect that it is the Chair of a territory authority with a governing board who is responsible for endorsing the accuracy and fairness of the annual financial statements. If a territory authority does not have a governing board, then the chief executive officer is the responsible person.

The amendments relating to section 64 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 65 Audit of annual financial statements of territory authorities** replaces the existing section 61 and deletes the phrase “a copy of” to ensure that the Auditor-General receives and scrutinises the "original" annual financial statements.

The amendments relating to section 65 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 66 Presentation of annual financial statements of territory authorities** replaces and amends section 62. Within seven days of receiving an audit opinion about the annual financial statements of a territory authority, the chief executive officer must provide the responsible Minister with copies of the annual financial statements, the opinion and any response by the authority. The responsible Minister must then present the documents to the Legislative Assembly within 6 sitting days.

The amendments relating to section 66 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 67 Treasurer may require interim financial statements etc for territory authorities** replaces and amends section 63 *Interim financial statements*.

Under subsection 67 (1) the Treasurer may direct a territory authority to give the responsible Minister and the Treasurer financial or other statements on a monthly or quarterly basis or for any other specified period.

Subsection 67 (2) requires the statements to be provided to the responsible Minister and Treasurer within one month of receiving a direction unless the direction allows for a longer period.

The **new Section 68 Statements of performance of territory authorities** is the first of four new sections relating to territory authorities' annual statements of performance. Section 68 requires territory authorities to prepare a statement of performance as soon as practicable after the end of the financial year. A statement must address the performance of the authority in meeting the objectives included in its statement of intent for the year. For a prescribed territory authority, a statement must also:

- compare the territory authority's actual performance in providing each class of outputs with the revised budget for the year; and

- state the extent to which the output performance criteria set out in the budget were met.

The amendments relating to section 68 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 69 Responsibility for territory authority statements of performance** requires a territory authority's statement of performance to have endorsed on or attached to it a statement of responsibility signed by the relevant person for the authority (ie either the chair of the governing board, where the authority has one, or the chief executive, if the authority has no governing board). The statement of responsibility must state that, in the relevant person's opinion, the statement of performance fairly reflects the performance of the authority during the financial year and the judgements exercised in preparing them.

The amendments relating to section 69 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 70 Scrutiny of territory authority statements of performance** requires a territory authority's chief executive officer to give the auditor-general the authority's statement of performance for the financial year with a signed statement of responsibility, within the prescribed period after the end of the year. The auditor-general must provide a report about the statement of performance to the chief executive as soon as practicable after the auditor-general has received it.

The scope and the type of report provided by the auditor-general will be defined by financial management guidelines. This change supports the new performance measurement framework that commenced with the 2005-06 Budget and provides flexibility to refine audit requirements, particularly where it is necessary to modify the number and names of categories under the new framework.

The amendments relating to section 70 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

**New Section 71 Presentation of territory authority statements of performance** requires a territory authority's chief executive officer to provide the responsible Minister within 7 days after receiving the auditor-general's report with the following:

- a copy of the statement of performance;
- a copy of the auditor-general's report; and
- the authority's response, if any, to the report.

The responsible Minister must present these documents to the Assembly within 6 sitting days after the Minister receives them.

The amendments relating to section 71 of the Act apply in relation to the financial year that commenced on 1 July 2005 (ie the 2005-06 financial year) and all subsequent financial years (see new section 109).

### **Clause 38: Part 9**

This clause renumbers Part 9 to Part 10, as a consequence of the amendments in this Bill.

### **Clause 39: Sections 64 to 68**

This clause renumbers sections 64-68 to sections 104-108, as a consequence of the amendments in this Bill.

### **Clause 40: New Part 9**

This clause inserts a new part 9.

## **Part 9 Governance of territory authorities**

Notes for pt 9 are for explanatory purposes only and are not part of the Bill.

### **Division 9.1 Definitions and important concepts**

**New section 72 Definitions-pt 9** contains definitions for part 9 that are self-explanatory.

**New section 73 Nature of relevant territory authorities** describes the nature of authorities.

A relevant territory authority is described as a corporation, which may sue and be sued in its corporate name and may have a seal. Corporation also includes corporation sole (constituted by one person).

A relevant territory authority represents the Territory unless the establishing Act or another territory law provides otherwise.

**New section 74 Powers of territory authorities generally** describes that the authority has the legal capacity and powers of an individual.

**New Section 75 Execution of documents and assumptions people dealing with relevant territory authority may take.** This section explains the relationship with the sections 127 to 129 of the *Corporations Act* which in turn deal with the execution of documents, the entitlement for a person to make certain assumptions about a corporation and the assumptions that can be made by a person. Section 102 *Meaning of references to a law or instrument generally* of the Legislation Act refers.

**New Section 76 Governing board of territory authority** stipulates that a territory authority has a governing board providing the enabling legislation creates a governing board for the relevant authority (subsection (1)).

Subsection 76(2) provides a list of territory authorities with governing boards.

**New section 77 Role of governing board** describes the general functions of a governing board.

Subsection 77(1) provides that the governing board of a territory authority is collectively responsible for, amongst other things, setting policies and strategies, governing the authority in accordance with the enabling legislation and other related legislation, ensuring to the extent possible that the authority operates properly, efficiently and effectively, and complies with applicable government policies.

Subsection 77(2) states that subsection (1) does not limit the functions of the board.

## **Division 9.2 Appointment of Governing Board Members**

**New section 78 Appointment of governing board members generally** describes appointment process to apply to governing board members other than the chief executive officer (subsection (1)).

It is intended that the responsible Minister appoint governing board members (subsection (2)). According to subsection (3) the only criteria to be considered are the contribution a person can make to the collective goals and objectives of the governing board; and any relevant government policy relating to appointments. The establishing Act may prescribe other criteria to be considered in making an appointment (subsection (4)). An appointment must not be for longer than 3 years unless the establishing Act allows a longer period (subsection (5)). Under subsection (6), the conditions of appointment are to be agreed between the Minister and the Member, subject to any determination under the *Remuneration Tribunal Act 1995*.

**New section 79 Appointment of chair and deputy chair** provides that the responsible Minister may appoint a chair and, unless the establishing Act otherwise provides, a deputy chair (subsection (1)).

Subsection 79 (2) prevents the responsible Minister from appointing the chief executive officer as chair or deputy chair.

Subsection 79 (3) requires the responsible Minister to try to ensure that the governing board always has a chair and, if applicable under the establishing Act, a deputy chair.

**New section 80 Appointment of CEO of authority with governing board** requires the governing board to consult with the responsible Minister before appointing a chief executive officer (Subsection (2)). In these instances, the chief executive officer is not a public servant.

If the chief executive officer is required to be a public servant then it is the agency chief executive who is responsible for appointing the chief executive but only after consulting with the governing board and the responsible Minister (subsection 80 (3)).

The chief executive officer is a member of the governing board (subsection 80(4) except when the board is considering or deciding the appointment of the chief executive officer or the conditions of appointment (subsection 80(5)). If the chief executive officer is not required to be a public servant, the conditions of appointment are as agreed by the governing board, subject to any determination by the Remuneration Tribunal (subsection 80 (6)).

**New section 81 Ending board member appointments** applies to a governing board member who is not the chief executive officer.

Subsection 81 (2) outlines the grounds for which the responsible Minister has the discretion to terminate the appointment of a board member.

Subsection 81 (3) provides that the Minister may end the appointment of a member if the board resolves by at least a 2/3 majority to recommend to the Minister to terminate the member's appointment.

Subsection 81 (4) cannot make such a resolution unless the member concerned has been given at least 3 weeks written notice of the proposed resolution, that the member concerned has had the opportunity to make representations on their behalf to the board and a summary of the members representations including any documents has been included in the board minutes.

### **Division 9.3 Functions of governing board members**

#### **New section 82 Chair's functions**

It is proposed that chair of authorities with governing boards have the following generic functions:

- managing the affairs of the board, including but not limited to preparing the agenda, conducting the meetings and ensuring the proceedings of the board meetings are properly recorded;
- ensuring as far as practicable there is a good working relationship between the board and the management; and
- ensuring that the responsible Minister is informed by regular reports and meetings about the operations of the authority.

**New section 83 Deputy chair's functions.** If the enabling legislation requires a deputy chair, they must perform the functions of the chair when the chair is absent or not able to perform the functions of the chair.

**New sections 84 CEO's functions** outlines the general function of a chief executive officer of an authority with a governing board.

**New section 85 Honesty, care and diligence of board members** requires governing board members to act with the same degree of honesty, care and diligence required by a director of a corporation in relation to the affairs of the corporation.

**New section 86 Conflicts of interest by governing board members** specifies that a governing board member is required to take all reasonable steps to avoid a conflict of interest position.

**New section 87 Agenda to require disclosure of interest item** requires a governing board to have a standing agenda item that any material interest in an issue to be discussed must be disclosed at the meeting.

### **New section 88 Disclosure of interests by governing board members.**

Subsection 88(1) requires a governing board member to disclose as soon as possible any material interest in a matter to be or being considered by a meeting of the board.

Subsection 88(2) requires the disclosure to be recorded in the board minutes and the member concerned must vacate the meeting or not take part in a decision by the board on the issue, unless the board decides otherwise.

Subsection 88(3) requires any other governing board member with a material interest in the issue to vacate the meeting when the board is considering its decision under subsection (2). This is to avoid possible collusion when several board members have a material interest.

Subsection 88(4) provides explanations of the terms associate, executive officer, indirect interest and material interest for the purposes of this section.

### **New section 89 Reporting of governing board disclosed interests to Minister.**

Under subsection 89(1) the chair of the governing board must, within three months after the day of disclosure of a material interest, provide a written report about the disclosure to the responsible Minister.

Subsection 89(2) requires the chair, within 31 days of the previous financial year, to give the responsible Minister, a statement of all the disclosures for that financial year.

Subsection 89(3) requires the Minister to refer any statement received under subsection 89(2) to the relevant Assembly Committee within 31 days.

**New section 90 Protection of board members from liability** protects a governing board member from civil liability for an act or omission done honestly and without recklessness.

### **New section 91 Indemnification and exemption of governing board members.**

Subsection 91 (1) prohibits a territory authority from exempting a governing board member (either directly or through another entity) from liability to the authority.

Subsection 91 (2) prohibits a territory authority from indemnifying a governing board member from a liability owed to the authority or a liability owed to someone other than the authority that did not arise from honest conduct.

Subsection 91(3) prohibits a territory authority from indemnifying a governing board member (whether directly or through another entity and whether by agreement or by making a payment) against legal costs incurred in defending or resisting a proceeding if the person is found to have a liability that could not be indemnified under subsection (2) or is found guilty as a result of criminal proceedings.

Subsection 91 (4) provides that the term *authority* includes any subsidiary of the authority.

**New section 92 Compensation of exercise of functions etc.** outlines the basis that enables a person to claim compensation if they incur any losses in exercising functions under this part or under the establishing Act.



## **Division 9.4 Governing board meetings**

**New section 93 Time and place of governing board meetings** outlines the basic procedures for arranging governing board meeting.

**New section 94 Presiding member at governing board meetings** requires the chair to preside at all meetings unless absent in which case the deputy chair presides. If the chair is absent and so is the deputy chair or else there is no deputy chair, then the member chosen by the members present presides. However, the chief executive officer cannot preside over any meeting.

**New section 95 Quorum at governing board meetings** requires at least half the members to be present for business to be carried out at a board meeting. A non-voting member is not regarded as a member to make up the quorum.

**New section 96 Voting at governing board meetings** provides that each member can vote at a meeting unless the establishing Act determines otherwise. If the votes are equal, the presiding member has the casting vote.

**New section 97 Conduct of governing board meetings etc.** provides that the governing board can decide the means for conducting proceedings, providing all members can hear what is being said. A resolution is valid (even if not passed at a meeting) as long as all members agree in writing or by electronic communication and notice of the resolution is given. The board must keep minutes of meetings.

## **Division 9.5 Requirements and obligations for territory authorities**

**New section 98 Limitations on authorities forming corporations etc.** An authority must not subscribe or purchase shares, debentures, other securities, or form or take part in the formation of a corporation, without the Treasurer's prior written approval. If approval is granted, the relevant territory authority must tell the responsible Minister within two weeks. The responsible Minister must prepare a written statement to be presented to the Legislative Assembly within 6 sitting days of being informed. If commercially sensitive information is withheld by the Minister, the statement to the Legislative Assembly should explain the general nature of the information and the reason for it being withheld.

**New section 99 Limitations on authorities participating in joint ventures and trusts.** The Treasurer's written approval is required for a relevant territory authority to participate in a joint venture or trust. The authority must notify the responsible Minister within two weeks after entering into an agreement. The responsible Minister must prepare a written statement to present to the Legislative Assembly within 6 sitting days of receiving notification. If commercially sensitive information is withheld by the Minister, the statement to the Legislative Assembly should explain the general nature of the information and the reason for it being withheld.

**New section 100 Corporations, joint ventures and trusts in which authority has interest.** The intention of this section is that if a territory authority has a controlling interest in a corporation, joint venture or trust, then the authority must ensure that the Auditor-General is appointed auditor and that the corporation or joint venture, or a trustee for the trust, is prevented from doing anything that the authority itself could

not do. An authority should endeavour to ensure the auditor-general is appointed auditor in instances where the authority does not have a controlling interest – the auditor-general should prepare a report even if another auditor is appointed as auditor.

**New section 101 Obligation of authorities to tell Minister about significant events.** The intention is to ensure that the responsible Minister is kept informed of any significant events that may impact on the entity's value, or a significant part of its assets, or the performance of the authority as a whole, or the conduct of a significant activity. The amendment identifies the term "significant" when interpreted in accordance with the accounting standards, a document published by the authority identifies it as significant or an agreement with the responsible Minister or Treasurer identifies it as significant or it is prescribed under the Financial Management Guidelines.

**New section 102 Ministerial directions to authorities about statements etc** enables the responsible Minister to give a written direction for the authority to give financial or other information. The information must be provided within one month, the day after the direction is received unless the Minister allows for an extension of time due to special circumstances.

**New section 103 Application of government policies to authorities** provides that the responsible Minister, after consulting with the authority, may give written notice of applicable government policies with which the authority must comply to the extent possible. Applicable government policies should be able to be applied generally to most or all authorities but cannot be in conflict with any statutory obligations of an authority. Notification of applicable governmental policies by the responsible Minister to an authority is a notifiable instrument.

#### **Clause 41: New Part 11**

This clause inserts a new part 11

#### **Part 11 Transitional**

Part 11 provides a number of transitional provisions relating to the amendments contained in the *Financial Management Legislation Amendment Act 2005*.

**New section 109 Financial Management Legislation Amendment Act 2005-provisions with 1 July 2005 Application** provides that amendments relating to the listed sections of the *Financial Management Act 1996* (see section 109 (3)) apply in relation to the financial year that commenced on 1 July 2005 (ie 2005-06) and all subsequent financial years. It also clarifies that, in relation to the financial year that commenced on 1 July 2005, section 68 applies as if the reference in 68 (3) to section 61 (5) (d) includes a reference to section 55 (3) (d).

Section 109 expires 1 year after its commencement.

**New section 110 Financial Management Legislation Amendment Act 2005-provisions with 1 July 2006 Application** provides that amendments relating to the listed sections of the *Financial Management Act 1996* (see section 110 (3)) apply in relation to the financial year that commenced on 1 July 2005

(ie 2005-06) and all subsequent financial years. It also clarifies that section 10 and section 58 as they were in force immediately before the commencement of these amendments continue to apply in relation to the financial year that commenced on 1 July 2005.

Section 110 expires 1 year after the day it commences.

**New section 111 Transitional regulation** provides for regulations to be made prescribing matters necessary or convenient that may arise from the enactment of the *Financial Management Legislation Amendment Act 2005*.

Section 111 expires 2 years after the day it commences.

**Clause 42: Dictionary, new notes**

This clause inserts new explanatory notes into the Dictionary outlining the relevance of the *Legislation Act 2001* to the *Financial Management Act 1996*.

**Clause 43: Dictionary, new definition**

This clause inserts a new dictionary definition for the term “applicable governmental policies”.

**Clause 44: Dictionary, definition of *capital injection***

This clause amends the dictionary definition for the term “capital injection”, as a consequence of the amendments in this Bill.

**Clause 45: Dictionary, new definition of *CEO***

This clause inserts a new dictionary definition for the term “CEO”.

**Clause 46: Dictionary, definition of *chief executive officer***

This clause amends the dictionary definition for the term “chief executive officer (or CEO)”

**Clause 47: Dictionary, new definitions**

This clause inserts new dictionary definitions for the terms “establishing Act”, and “financial year”.

**Clause 48: Dictionary, definition of *generally accepted accounting practice***

This clause amends the dictionary definition for “generally accepted accounting practice” to “generally accepted accounting principles”.

**Clause 49: Dictionary, definition of *GST***

This clause removes the definition for “GST” from the Dictionary, as this term is included in the *Legislation Act 2001*.

**Clause 50: Dictionary, new definitions**

This clause inserts new dictionary definitions for the terms “governing board”, “governing board member”, and “material interest”.

**Clause 51: Dictionary, definition of *public trading enterprise***

This clause removes the definition for “public trading enterprise” from the Dictionary, as a consequence of the amendments in this Bill.

**Clause 52: Dictionary, new definition of *relevant territory authority***

This clause inserts a new dictionary definition for the term “relevant territory authority”.

**Clause 53: Dictionary, definition of *responsible Minister*, paragraph (c)**

This clause amends to the dictionary definition for the term “responsible Minister” paragraph (c), as a consequence of the amendments in this Bill.

**Clause 54: Dictionary, definition of *statement of intent***

This clause amends the dictionary definition for the term “statement of intent”

## **Schedule 1: Amendments of other Legislation**

This Schedule contains necessary amendments to various legislation as a consequence of amendments that have been incorporated in the *Financial Management Act 1996* (the Act).

Most of the amendments affect the enabling legislation of various statutory authorities to reflect the new governance arrangements contained in Part 9 of the Act. This mainly involves removing provisions that have been standardised in the Act and other technical drafting amendments such as renumbering sections and making changes in terminology including necessary consequential amendments to the relevant dictionary.

## **Part 1.1: ACTION Authority Act 2001**

### **Clause 1.1**

Inserts a new note to explain that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.2** substitutes a new heading for Division 2.1.

### **Division 2.1 Establishment and functions of authority**

**Clause 1.3** replaces section 4.

**New section 4 Establishment of authority.** The ACTION Authority is established.

**Clause 1.4** removes Section 5 (e).

**Clause 1.5** makes note that Section 5 paragraphs are to be renumbered when the Act is next republished under Legislation Act.

**Clause 1.6** section 7 is replaced by section 6.

**New section 6 Restrictions on dealing with assets** retains the requirement that the authority or a subsidiary is prohibited from entering into certain transaction without the Treasurer's prior written approval. In addition, main undertakings cannot be disposed of unless agreed by resolution in the Legislative Assembly. This section includes a new subsection 6(5) that defines the term significant.

**Clause 1.7** replaces Division 2.2.

### **Division 2.2 Governing Board**

**New section 7 Establishment of governing board** indicates that the authority has a governing board.

**New section 8 Governing board members** stipulates that the governing board has at least 5 and no more than 7 members.

**New section 9 Term of chief executive officer of authority** stipulates that the chief executive officer must not be appointed for a term of longer than 5 years.

**Clause 1.8** omits Division 2.3.

**Clause 1.9** replaces Part 3.

### **Part 3 Authority Staff**

**Clause 1.10** removes sections 19 and 20.

**Clause 1.11** renumbers section 21 as section 10.

**Clause 1.12** replaces section 22(3).

**New subsection 22(3)** requires staff to be employed under the *Public Sector Management Act 1994*.

**Clause 1.13** renumbers section 22 as section 11.

**Clause 1.14** substitutes Parts 4 and 5.

#### **Part 4            Miscellaneous**

**New section 12 Ministerial Directions** replaces section 25. The Minister may give the authority written directions but, prior to doing so, must tell the board about the effect, give the board reasonable opportunity to comment, and consider any comments made by the board on the proposed direction. The Minister must present, within 6 sitting days, a copy of the direction to the Legislative Assembly. The authority must comply and the territory must reimburse the authority for reasonable expenses relating to complying with the direction.

**New section 13 Dividends** replaces section 28. The Treasurer may require the authority to declare a dividend from any profits after consulting the board. The board must declare and pay a dividend within one month of receiving a direction from the Treasurer.

**New section 14 Authority's annual report** effectively renumbers section 34.

**New section 15 Regulation Power** effectively renumbers section 35A.

**Clause 1.15** replaces the **Dictionary** and defines key words and expressions used in the Bill and include references to other legislation.

## **Part 1.2: Australian Capital Tourism Corporation Act 1997**

**Clause 1.16 Section 2, notes** substitutes self-explanatory notes 1 and 2.

**Clause 1.17** substitutes for **Part 2** a new heading **The corporation** and inserts a new note to explain that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.18** replaces the heading for Division 2.1.

### **Division 2.1 Establishment and functions of corporation.**

**Clause 1.19** replaces Section 4.

**New section 4 Establishment of corporation.** The Australian Capital Tourism Corporation is established.

**Clause 1.20 Section 5, new note** is self-explanatory.

**Clause 1.21** removes Sections 6 & 7.

**Clause 1.22** replaces Division 2.2.

### **Division 2.2 Governing board.**

**New section 6 Establishment of governing board** indicates that the Corporation has a governing board.

**New section 7 Governing board members** stipulates that the governing board has 9 members.

**New section 8 Chief executive officer of corporation** stipulates that the chief executive officer must be a public servant.

**Clause 1.23** removes Division 2.3.

**Clause 1.24** replaces the Part 3 heading with *Corporations staff and consultants*.

### **Part 3 Corporations staff and consultants**

**Clause 1.25** removes Division 3.1.

**Clause 1.26** removes the Division 3.2 heading.

**Clause 1.27** replaces Section 18.

**New section 9** requires staff to be employed under the *Public Sector Management Act 1994*.

**Clause 1.28** replaces Section 19(2) and prevents the corporation giving employment contracts to consultants.



**Clause 1.29** renumbers section 19 as section 10.

**Clause 1.30** removes Part 4.

**Clause 1.31** renumbers Part 5 as Part 4.

**Clause 1.32** removes Section 26.

**Clause 1.33** renumbers sections 27 and 28 as sections 11 and 12.

**Clause 1.34** replaces the reference to *section 27* with *section 11* in Section 29(a).

**Clause 1.35** renumbers section 29 as section 13.

**Clause 1.36** removes Section 30.

**Clause 1.37** renumbers section 31 as section 14.

**Clause 1.38** provides a new dictionary that defines the terms *corporation* and *governing board* and includes references to other legislation.

## **Part 1.3: Building and Construction Industry Training Levy Act 1999**

**Clause 1.39** replaces the Long title.

An Act to impose a levy for improving training in the building and construction industry, and for other purposes.

**Clause 1.40** replaces Part 2.

### **Part 2        The authority**

A new note explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

#### **Division 2.1   Establishment and Functions of Authority**

**New section 4 Establishment of the Authority.** The Building and Construction Industry Training Fund authority is established.

**New section 5 Functions of authority** indicates the authority is to administer the fund, make payments, and any other function given to the authority under this Act or any other Territory law.

#### **Division 2.2   Governing Board**

**New section 6 Establishment of governing board** indicates the authority has a governing board.

**New section 7 Governing board members** stipulates the board will have 6 members of which two must represent the interest of employers and two must represent the interests of the employees in the building and constructions industry while the chair must not be a representative of either. The chief executive officer is a non-voting member.

**New section 7A Term of chief executive officer of Authority** stipulates that the chief executive officer must not be appointed for a term longer than 5 years.

**New section 7B No deputy chair** prevents the Minister from appointing a deputy chair.

**New section 8 Administration of authority** provides that the board may make arrangements for administrative or secretarial services or administration of the fund in keeping with the directions of the governing board.

**Clause 1.41** replaces references to *board* with *authority* in Sections 17 & 19.

**Clause 1.42** replaces Section 21.

**New section 21 Refund of levy if work not carried out** provides that the authority must refund the project owner if the levy has been paid before work starts and work

does not start. The money must be paid within 1 month of the authority receiving the written request of the project owner.

**Clause 1.43** replaces the references to *board* with *authority* in Sections 22 to 25 and 28 to 30.

**Clause 1.44** replaces the definition of *board* in the dictionary with *authority* means the Building and Construction Industry Training Fund Authority.

**Clause 1.45** replaces the dictionary definition of *chairperson* with *chair* means the chair of the governing board.

**Clause 1.46** inserts new dictionary definitions of *governing board*.

**Clause 1.47** removes dictionary definition of *member*.

## **Part 1.4: Canberra Institute of Technology Act 1987**

**Clause 1.48** removes Section 3(1) definitions of *appoint*, *director*, *joint venture*, *securities and share*.

**Clause 1.49** relocates Section 3(1) to dictionary.

**Clause 1.50** replaces the remainder of Section 3 indicating the dictionary is part of Act but notes are provided for explanatory purposes only.

**Clause 1.51** replaces Part 2 heading.

### **Part 2 Establishment, functions and powers of institute**

A new note for pt 2 explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.52** removes Division 2.1 heading

**Clause 1.53** replaces Section 4.

**New Section 4 Establishment of institute** simply establishes the Canberra Institute of Technology.

**Clause 1.54** replaces Section 5(1)(a) to reflect modern drafting practice.

**Clause 1.55** replaces Section 5(1)(g) to reflect modern drafting practice.

**Clause 1.56** replaces Sections 5(2) to (4) and stipulates that a decision of the Director or a requirement by the Minister must be in writing.

**Clause 1.57** inserts a new Section 6.

**New Section 6 Minister's directions** enables the Minister to give a direction and states that the institute must comply.

**Clause 1.58** replaces Division 2.3

**New Section 9 Institute's Powers** removes (i), (j), (k) and (m) from the original legislation referring to such things as partnerships, joint ventures, purchase of shares and appointing people as agents or attorneys.

**Clause 1.59** replaces **Part 3 Director of institute**

**New Section 14 Director** indicates the Minister must appoint a Director for a term not longer than 5 years. Conditions are agreed between the Minister and the Director subject to the *Remuneration Tribunal Act 1995*.

**New Section 15 Ending director's appointment** outlines the grounds for which the responsible Minister has the discretion to terminate the appointment of a board member.

**New Section 16 Honesty, care and diligence of director** stipulates general obligations for the director in carrying out their functions.

**New Section 17 Conflict of interest** requires the director to take all reasonable steps to avoid conflicts of interest during exercising their functions.

**New Section 18 Disclosure of interests by director**, a Director must disclose a material conflict of interest to the Minister as soon as practical.

**New Section 19 Powers of director** has been amended to reflect modern drafting practice.

**New Section 20 Protection of director from liability** indicates that a director is not civilly liable for exercising a function under a territory law whilst acting honestly and without recklessness.

**Clause 1.60** removes Section 22

**Clause 1.61** inserts a new note

**Clause 1.62** removes Section 29(4)

**Clause 1.63** removes Section 31

**Clause 1.64** replaces Section 32

**Section 32 Ending council member appointments** lists reasons that a Minister may end a member's appointment.

**Clause 1.65** removes Section 33

**Clause 1.66** replaces Sections 34 and 35

**New sections 34 Honesty, care and diligence of council members** stipulates general obligations for council members in carrying out their functions.

**New Section 35 Conflict of interest**, council members must take all reasonable steps to avoid conflicts of interest during exercising their functions.

**New Section 36 Agenda to require disclosure of interest item** requires as a standing agenda item consideration of any material interests in an issue to be considered by the council.

**New Section 37 Disclosure of interests by council members**

Subsection 37(1) requires council members to disclose as soon as possible any material interest in a matter to be or being considered at a council meeting.

Subsection 37 (2) requires the disclosure to be recorded in the council's minutes and the member concerned must vacate the meeting or not take part in a decision by the council on the issue.

Subsection 37 (3) requires any other council member with a material interest in the issue to vacate the meeting when the board is considering its decision under subsection (2).

Subsection 37 (4) provides explanations of the terms associate, executive officer, indirect interest and material interest for the purposes of this section.

### **New Section 38 Reporting disclosed interests to Minister**

Under subsection 38 (1) the Chair of the council must, within three months after the day of disclosure of a material interest, provide a written report about the disclosure to the responsible Minister.

Subsection 38 (2) requires the Chair, within 31 days of the previous financial year, to give the responsible Minister, a statement of all the disclosures for that financial year.

Subsection 38 (3) requires the Minister to refer any statement received under subsection 38 (2) to the relevant Assembly Committee within 31 days.

Subsection 38 (4) provides explanations of the term relevant committee for the purposes of this section.

**New Section 39 Protection of council members from liability** indicates that a council member is not civilly liable for acting honestly and without recklessness.

**New Section 40 Time and Place of Council meetings** outlines the basic procedures for arranging governing board meeting.

**New Section 41 Presiding member at meetings** requires the Chair to preside at all meetings unless absent in which case the deputy chair presides. If the senior member is absent then the member chosen by the members present presides.

**New Section 42 Quorum at meetings** requires half the members to be present for business to be carried out at a council meeting.

**New Section 43 Voting at meetings** provides that each member can vote at a meeting. If the votes are equal, the presiding member has the casting vote unless there is only two members present and the vote is split it must then be carried over to the next meeting.

**New section 44 Conduct of meetings etc.** provides that the Council can decide the means for conducting proceedings, providing all members can hear what is being said. A resolution is valid (even if not passed at a meeting) as long as all members agree in writing or by electronic communication and notice of the resolution is given. The board must keep minutes of meetings.

**Clause 1.67** replaces Part 7 heading

## **Part 7 Staff and consultants**

**Clause 1.68** replaces Section 49 and adds a Section 50

**New Section 49 Staff of Institute** states that staff must be employed under the *Public Sector Management Act 1994*.

**New Section 50 Consultants of institute** states that the institute may engage consultants.

**Clause 1.69** removes Sections 55 and 56

**Clause 1.70** replaces Section 58(1) just adds the word bank in front of account.

**Clause 1.71** replaces Section 62

**New Section 62 Delegation by Director**, using an economy of words states that the Director may delegate.

**Clause 1.72** inserts a new Dictionary.

## **Part 1.5: Canberra Institute of Technology Regulation 1994**

**Clause 1.73** repeals the *Canberra Institute of Technology Regulation 1994* SL 1994-15.

## **Part 1.6: Cemeteries and Crematoria Act 2003**

**Clause 1.74** replaces the Part 3 heading.

### **Part 3           The cemeteries authority**

A new note for pt 3 explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.75** replaces the Division 3.1 heading.

### **Division 3.1   Establishment of cemeteries authority and governing board.**

**Clause 1.76** replaces Sections 28 and 29.

**New section 28 Establishment of the cemeteries authority.** The cemeteries authority is established.

**New section 28A Functions of the cemeteries authority** indicates that the cemeteries authority is to effectively and efficiently manage public cemeteries and crematoria.

**New section 29 Establishment of governing board** indicates that the cemeteries authority has a governing board.

**New section 29A Governing board members** stipulates that the board will have at least 4 and not more than 12 members of whom at least 4 members must represent the general community and religious denominations.

**Clause 1.77** replaces the reference to *board* in Section 30 with *cemeteries authority*.

**Clause 1.78** removes Sections 31 and 32.

**Clause 1.79** removes Division 3.2.

**Clause 1.80** removes Division 3.3.

**Clause 1.81** replaces the Division 3.4 heading.

### **Division 3.2   Staff of cemeteries authority**

**Clause 1.82** replace references to *board* with *cemeteries authority* in section 44 (1) and (2).

**Clause 1.83** in Section 44(3) replaces *board's power* with *power of the cemeteries authority*.



**Clause 1.84** removes dictionary definition of *board*.

**Clause 1.85** inserts new dictionary definition of *cemeteries authority*.

**Clause 1.86** removes the dictionary definition of *chairperson*.

**Clause 1.87** removes the dictionary definition of *deputy chairperson*.

**Clause 1.88** inserts a new dictionary definition of *governing board*.

**Clause 1.89** removes the dictionary definition of *member*.

## **Part 1.7: Cultural Facilities Corporation Act 1997**

**Clause 1.90** renumbers section 3A as section 4.

**Clause 1.91** replaces the Part 2 heading.

### **Part 2           The corporation**

A new note explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.92** replaces section 4.

**New section 5 Establishment of corporation.** The Cultural Facilities Corporation is established.

**Clause 1.93** renumbers section 5 as section 6.

**Clause 1.94** removes Section 6.

**Clause 1.95** replaces section 7, note.

**Clause 1.96** removes Section 9.

**Clause 1.97** replaces Divisions 2.2 and 2.3.

### **Division 2.2   Governing board of corporation**

**New section 9 Establishment of governing board** indicates the corporation has a governing board.

**New section 10 governing board members** stipulates the governing board has 7 members.

**New section 11 Chief executive officer of corporation** requires the chief executive officer to be a public servant.

**Clause 1.98** replaces the Part 3 heading.

### **Part 3           Corporation staff and consultants**

**Clause 1.99** removes Division 3.1

**Clause 1.100** removes the Division 3.2 Heading.

**Clause 1.101** replaces Sections 19 and 20.

**New section 12 Staff** requires staff to be employed under the *Public Sector Management Act 1994*.

**New section 13 Consultants** enables the corporation to engage consultants but not under a contract of employment.

**Clause 1.102** removes Part 4.

**Clause 1.103** renumbers Part 5 as Part 4.

**Clause 1.104** removes Section 27.

**Clause 1.105** renumbers sections 28 to 31 as sections 14 to 17.

**Clause 1.106** removes Section 32.

**Clause 1.107** removes Schedule 2.

**Clause 1.108** replaces 3A from the dictionary definition of *designated location* with 4.

**Clause 1.109** inserts a new dictionary definition of *governing board*.

**Clause 1.110** removes the dictionary definition of *member*.

## **Part 1.8: Gambling and Racing Control Act 1999**

**Clause 1.111** replaces Section 1.

**New section 1 Name of Act.** This is the *Gambling and Racing Control Act 1999*.

**Clause 1.112** relocates to dictionary Section 3, definitions (other than definitions of *casino, commission* and *gaming officer*).

**Clause 1.113** replaces Section 3, remainder.

**New section 2 Dictionary** refers to the dictionary at the end of the Act as part of the Act.

**New section 3** indicates notes provided for explanatory purposes do not form part of the Act.

**Clause 1.114** inserts a new note for pt 2 explaining that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.115** replaces the Division 2.1 heading.

### **Division 2.1 Establishment and functions of commission.**

**Clause 1.116** replaces Section 5.

**New section 6 Establishment of the gambling and racing commission.** The ACT Gambling and Racing Commission is established.

**Clause 1.117** replaces Section 6(1)(c).

**New subsection 6(1)(c)** indicates that the commission's functions include exercising any function under this Act or any other territory law.

**Clause 1.118** renumbers sections 6, 7 and 8 as sections 7, 8 and 9.

**Clause 1.119** removes Section 9.

**Clause 1.120** removes Section 11.

**Clause 1.121** replaces the Division 2.2 heading.

### **Division 2.2 Governing Board**

**Clause 1.122** replaces Section 12.

**New section 11 Establishment of governing board** indicates that the commission has a governing board.

**New section 12 Governing board members** stipulates that the Board must consist of 5 members of whom 1 must have a background related to providing counselling

services to problem gamblers. Subsection 2 outlines criteria preventing a person from being eligible to be a member.

**Clause 1.123** removes Section 13.

**Clause 1.124** replaces sections 14 and 15.

**New section 14 Staff** requires staff to be employed under the *Public Sector Management Act 1994*.

**New section 15** enables the corporation to engage consultants and contractors but not under a contract of employment.

**Clause 1.125** replaces section 20.

**New section 20 Authorised officers** identifies situations in which a person is or can become an authorised officer.

**Clause 1.126** replaces the reference to *chief executive* in Section 24(1) with *chief executive officer*.

**Clause 1.127** includes a new section 53CA.

**New section 53CA Protection for authorised officers** applies to an authorised officer who is not a member of the board. This section indicates that no liability would apply to an authorised officer if the act or omission were done honestly and without recklessness for the purpose of administering territory gaming law.

**Clause 1.128** removes Schedules 1 and 2

**Clause 1.129** provides a new dictionary that defines key words and expressions used in the Bill and includes references to other legislation.

## **Part 1.9: Health Promotion Act 1995**

**Clause 1.130** replaces the long title with *an act to establish an authority for the promotion of health, and other purposes*.

**Clause 1.131** replaces section 3 with new section 2 dictionary and section 3 notes.

**Clause 1.132** replaces Part 2.

### **Part 2           The health promotion authority**

A new note for Part 2 explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

#### **Division 2.1   Establishment and functions of the health promotion authority**

**New section 4 Establishment of the health promotion authority.** The health promotion authority is established.

**New section 5 Functions of health promotion authority** outlines the functions to include funding activities, promoting good health, encouraging a healthy lifestyle, exercising functions under the Act, and funding research. They may make grants, and produce and market goods and services.

**New section 6 Delegation by health promotion authority** indicates the health promotion authority may delegate functions to board members or a public servant.

**New section 7 Ministerial directions** enables the Minister to give the authority a written direction after consulting with the board. The Minister must present a copy of a direction to the Legislative Assembly within 6 sitting days.

#### **Division 2.2   Governing Board**

**New section 8 Establishment of governing board** indicates the health promotion authority has a governing board.

**New section 9 Governing board members** stipulates the governing board will consist of 9 members and that the board be constituted with members with particular expertise and must include the chief health officer.

**New section 10 Exercise of functions of governing board** indicates the board can appoint funding committees and other committees and working groups to assist the board.

#### **Division 2.3   Staff, consultants and committees of health promotion authority**

**New section 11 Staff** requires staff to be employed under the *Public Sector Management Act 1994*.

**New section 12 Consultants** enables the health promotion authority to engage consultants but not under a contract of employment.

**New section 13 Committees and working groups** enables a committee or working group to determine its own procedures unless the governing board directs otherwise.

**New section 14 Application of governance provision to committee members** indicates the governance provisions apply to committee or working group members appointed by the governing board. The governance provisions include exercising honesty, care and diligence; avoiding conflicts of interest; the meeting agenda to include an item about declaring conflicts of interest; and disclosure of interests. These provisions are included in Sections 86, 87 and 88 of the *Financial Management Act 1996*.

**Section 15 Application of FMA protection provision to committee members etc** indicates that a committee or working group member or a staff member or a consultant engaged by the health promotion authority have the protection against liability as applied under Section 90 of the *Financial Management Act 1996*.

**Clause 1.133** replaces the references to *board* with *health promotion authority* in Sections 23 & 24.

**Clause 1.134** replaces section 25.

**New section 25 Expenditure** requires the income of the health promotion authority to be applied in exercising its functions including remuneration and allowances of governing board members, staff, salaries wages and administrative costs, payments to consultants, and all administrative overheads of the authority.

**Clause 1.135** removes Sections 26 and 27.

**Clause 1.136** replaces Sections 29 and 30.

**New section 29 Authority's annual report** requires the annual report to include details about any Ministerial Directions given during the year and a copy of any section 24 (Transfers to health promotion authority) determinations made by the Minister.

**Clause 1.137** provides a new dictionary that defines key words and expressions used in the Bill and includes references to other legislation.

## **Part 1.10: Independent Competition and Regulatory Commission Act 1997**

**Clause 1.138** removes Section 3(1) definitions of *commission*, *commissioner*, *eligible person* and *function*.

**Clause 1.139** relocates section 3 (1) definitions (as amended) to the dictionary.

**Clause 1.140** replaces the remainder of Section 3.

**New section 2 Dictionary** indicates the dictionary is part of the Act.

**New section 2A Notes** indicates notes are included for explanatory purposes only.

**New section 3 Joint Ownership**, control or operation is self-explanatory.

**New section 3A Joint provision of services** is self-explanatory.

**Clause 1.141** replaces the reference to commissioners with commissioners in Section 6(1).

**Clause 1.142** includes new sections 10A and 10B.

**New section 10A Chief executive officer** stipulates the chief executive officer must be a public servant appointed by the chief executive after consulting with the commission.

**New section 10B Chief executive officer's functions** outlines the functions include implementing the statement of intent effectively and efficiently to the extent possible; managing the day-to-day operations of the commission secretariat and regularly advising the commission about the operational and financial performance.

**Clause 1.143** provides a new dictionary that defines key words and expressions used in the Bill and includes references to other legislation.



## **Part 1.11: Insurance Authority Act 2005**

**Clause 1.144** replaces **Part 2 Heading** includes a new note explaining that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the Act that establishes them.

**Clause 1.145** replaces Section 7(1) to include a new note explaining that the authority is a corporation.

**Clause 1.146** removes Section 7(2) and (3).

**Clause 1.147** renumbers Section 7(4) as subsection (2).

**Clause 1.148** removes Section 9.

## **Part 1.12: Legal Aid Act 1977**

**Clause 1.149** includes **new section 94B Application of FMA to commission**. FMA section 54(2) applies to the commission subject to the *Legal Aid Act*. FMA part 9 does not apply to the commission.

## **Part 1.13: Long Service Leave (Building and Construction Industry) Act 1981**

**Clause 1.150** replaces Section 1 to name the Act.

**Clause 1.151** removes from Section 3(1) the definitions of *board*, *chairperson*, *deputy registrar*, *member* and *registrar*.

**Clause 1.152** relocates remaining Section 3(1) definitions to the dictionary.

**Clause 1.153** replaces the remaining section 3.

**New section 2 Dictionary** and **new section 3 Notes** are self-explanatory.

**New section 4 Offences against Act - application of Criminal Code etc** indicates other legislation applies in relation to offences against this Act.

**New section 5 Work taken to be performed in building and construction industry** provides that planning, sewing, floor coverings and landscaping are to be taken as work performed in the building and construction industry.

**New section 6 Certain work outside ACT taken to be building and construction work** identifies certain work outside the ACT taken to be building and construction work.

**New section 7 Person not taken not to be employee only because of commission** is self-explanatory.

**Clause 1.154** replaces Part 2.

### **Part 2 Administration**

#### **Division 2.1 The authority, governing board and staff**

A new note explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**New section 8 Establishment of authority.** The authority is established.

**New section 9 Authority not territory instrumentality etc** stipulates that the Authority does not represent the territory.

**New section 10 Functions of authority** outlines the functions of the authority and the actions that may be taken in conducting the functions.

**New section 11 Delegation by authority** enables the authority to delegate functions to the registrar or any other public servant.

**New section 12 Establishment of governing board** indicates the authority has a governing board.

**New section 13 Governing board members** stipulates the governing board has 4 members comprising one member to represent employer organisations, one to represent employee organisations, an independent chair and the registrar who cannot vote. A member cannot be appointed for more than 5 years.

**New section 14 No deputy chair** stipulates the Minister must not appoint a deputy chair.

**New section 15, Deputy Registrar** requires the chief executive to appoint a public servant to be deputy registrar.

**New section 16 Functions of governing board** outlines the functions of the governing board.

**New section 17 Arrangements for staff** indicates the authority may arrange with the chief executive to use public servants subject to the *Public Sector Management Act 1994* as staff for the authority.

## **Division 2.2 Inspectors and their powers**

**New section 18 Inspectors** enables the registrar to appoint public servants as inspectors.

**New section 19 Identity cards** requires each inspector to have an identity card with a photo, date of issue and expiry etc. A person commits an offence if they cease to be an inspector and do not return the identity card ASAP and no later than 7 days after ceasing to be an inspector.

**New section 20 Powers in relation to premises** indicates an inspector may, on reasonable grounds, enter premises at any reasonable time (ie during normal business hours or any other time the premises are being used as a workplace) without the occupier's consent unless the premises are being used for residential purposes only. An inspector may enter any premises with the occupier's consent. In seeking consent to enter the premises an inspector may enter land surrounding the premises and does not need to pay any fee or charge in doing so.

**New section 21 Production of identity card by inspectors** requires an inspector to vacate the premises if they do not produce their identity card when asked by the occupier of the premises.

**New section 22 Consent to entry by inspectors** indicates that in seeking consent of an occupier to enter premises, the inspector must produce their identity card and inform the occupier the purpose of entry and that anything found may be used as evidence in court and that consent may be refused. Should the occupier consent then the inspector must ask the occupier to sign an *acknowledgement of consent* and must immediately give a signed copy to the occupier. These provisions only apply if entry is being sought outside reasonable times and requires consent.

**New section 23 General powers of inspectors for premises** outlines the actions an inspector may undertake upon entering premises under this Division.

**New section 24 Contravention of requirement by inspectors** specifies the maximum penalty for a person who does not comply with a requirement made by an inspector under Section 20.

**New section 25 Duty to give information or documents** requires a person to provide the stated information (or to take all reasonable steps to comply) to an inspector within a stated period that must not be less than 14 days after the day notice is given. The maximum penalty for non-compliance is 50 penalty units.

### **Division 2.3 Finances**

**New section 25A Money of authority** defines the money of the authority as amounts received under sections 37 and 38, income derived from investments, borrowings and any other amounts paid to the authority under this Act.

**New section 25B Application of authority** requires the money of the authority to only be used for payment of costs, expenses or other obligations including remuneration and allowances payable by the authority.

**New section 25C Three yearly investigation by actuary** requires the Treasurer to appoint an actuary to investigate the state and adequacy of the money of the authority at least once every three years. The actuary must give the Minister a copy of each report made to the governing board.

**Clause 1.155** replaces *The board shall cause to be entered and maintained* in Section 40 with *The registrar must enter*.

**Clause 1.156** replaces the reference to *board shall* in section 45(1) with *registrar must*.

**Clause 1.157** replaces paragraph in Section 45(3) before paragraph (a) in order to substitute the first reference to *board* in the first line with *registrar* and to replace the second reference to *board* with *authority*.

**Clause 1.158** replaces the second mention of *board shall* with *registrar must* in section 45(6).

**Clause 1.159** replaces Section 55(3) in order to substitute the first reference to *board* with *governing board* and the second reference to *board* with *authority*, and to also reflect modern drafting practice.

**Clause 1.160** replaces Section 56(6) in order to substitute the first reference to *board* with *governing board* and the second reference to *board* with *authority*, and to also reflect modern drafting practice.

**Clause 1.161** replaces Section 56A(3) in order to replace the first reference to *board* with *authority*, to replace the first reference to *board* in paragraph (b) with *authority's*, replace the reference to *board* in subparagraph (b) (ii) with *governing board*, and to also replace the reference to *board* in subparagraph (b) (iv) with *governing board*.

**Clause 1.162** replaces the Section 56B heading.

**Section 56B Payments by reciprocal authority on authority's behalf**

**Clause 1.163** replaces Section 56B(1) in order to substitute the first reference to *board* with *authority* in subsection 56B(1)(a), to substitute *board* with *governing board* in subsection 56(1)(b) and to substitute the last reference to *board* with *authority* in section 56B(1), and has been rewritten in line with modern drafting practice.

**Clause 1.164 Section 56B(3)** renumbers subsection (2)(b)(ii) as (3)(b)(ii).

**Clause 1.165 Section 56B (4)** renumbers subsection (2)(b)(i) or (ii) as subsection (3)(b)(i) or (ii).

**Clause 1.166** renumbers Section 56B(2) to (5) as subsections (3) to (6).

**Clause 1.167 Section 57A(b)** renumbers 56B(5) as 56B(6).

**Clause 1.168** removes section 59(1)(a) and (d).

**Clause 1.169** replaces section 59(1)(g).

**Clause 1.170** replaces section 59(1)(k).

**Clause 1.171** replaces section 59(1)(m) and (n).

**Clause 1.172** makes note to renumber paragraphs under Section 59(1) when Act republished under Legislation Act.

**Clause 1.173** replaces section 59(2).

**Clause 1.174** replaces section 59A.

**Clause 1.175** includes a new section 67.

**New section 67 Transitional – def building and construction** replaces the transitional provision in Section 3 (4) and includes a sunset clause as the transitional provision only had a limited effect.

**Clause 1.176** inserts new notes and new Dictionary meanings for authority, governing board and registrar.

**Clause 1.177** replaces *board* with *authority* in various sections as identified in the Bill.

**Clause 1.178** includes *governing* before *board* in various sections as identified in the Bill.

## **Part 1.14: Long Service Leave (Contract Cleaning Industry) Act 1999**

**Clause 1.179** replaces Part 2.

### **Part 2 Administration**

#### **Division 2.1 The authority, governing board and staff**

A new note explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**New section 5 Establishment of the authority.** The Cleaning Industry Long Service Leave Authority is established.

**New section 6 Authority not territory instrumentality etc.** stipulates that the Authority does not represent the territory.

**New section 7 Functions of the authority** outlines the functions of the authority.

**New section 8 Delegation by authority** enables the authority to delegate functions to the registrar or any other public servant.

**New section 9 Establishment of governing board** indicates that the authority has a governing board.

**New section 10 Governing board members** stipulates the governing board has 4 members comprising one member to represent employer organisations, one member to represent employee organisations, an independent chair and the registrar who cannot vote. Members cannot be appointed for more than 5 years.

**New section 11 No deputy chair** stipulates the Minister must not appoint a deputy chair.

**New section 12 Deputy registrar** requires the chief executive to appoint a public servant as deputy registrar.

**New section 13 Functions of governing board** outlines the functions of the governing board.

**New section 14 Arrangements for staff** indicates the authority may arrange with the chief executive to use public servants, subject to the *Public Sector Management Act 1994*, as staff for the authority.

#### **Division 2.2 Inspectors and their powers**

**New section 15 Inspectors** enables the registrar to appoint public servants as inspectors.

**New section 16 Identity cards** requires each inspector to have an identity card with a photo, date of issue, expiry etc. A person commits an offence if they cease to be an inspector and do not return the identity card ASAP and at least within 7 days.

**New section 17 Powers in relation to premises** indicates an inspector may, on reasonable grounds, enter premises at any reasonable time (ie during normal business hours or any other time the premises are being used as a workplace) without the occupier's consent unless the premises are being used for residential purposes only. An inspector may enter any premises with the occupier's consent. In seeking consent to enter the premises an inspector may enter land surrounding the premises and does not need to pay any fee or charge in doing so.

**New section 18 Production of identity card by inspectors** requires an inspector to vacate the premises if they do not produce their identity card when asked by the occupier of the premises.

**New section 19 Consent to entry by inspectors** indicates that in seeking consent of an occupier to enter premises, the inspector must produce their identity card and inform the occupier the purpose of entry and that anything found may be used as evidence in court and that consent may be refused. Should the occupier consent then the inspector must ask the occupier to sign an *acknowledgement of consent* and must immediately give a signed copy to the occupier. These provisions only apply if entry is being sought outside reasonable times and requires consent.

**New section 20, General powers of inspectors for premises** outlines the actions an inspector may undertake upon entering premises under this Division.

**New section 21 Contravention of requirement by inspector** specifies the maximum penalty for a person who does not comply with a requirement made by an inspector under Section 20.

**New section 22 Duty to give information or documents** requires a person to provide the stated information (or to take all reasonable steps to comply) to an inspector within a stated period that must not be less than 14 days after the day notice is given. The maximum penalty for non-compliance is 50 penalty units.

### **Division 2.3 Finances**

**New section 24 Money of authority** defines the money of the authority as levy payments under section 39A, income derived from investments, borrowings and any other amounts paid to the authority under this Act.

**New section 25 Application of authority money** requires the money of the authority to only be used for payment of costs, expenses or obligations included any remuneration and allowances payable by the authority.

**New section 26 Three yearly investigation by actuary** requires the Treasurer to appoint an actuary to investigate the state and adequacy of the money of the authority at least once every three years. The actuary must give the Minister a copy of each report made to the governing board.

**Clause 1.180** replaces the Section 44 heading.

### **Section 44 Decisions about ordinary wages by governing board**



**Clause 1.181** replaces section 60(1)(i) with new sections 60(1)(i), (j) and (k) to rectify incorrect wording about *refusing to make payment under section 55(3), 56(6) or 64(5)* as decisions taken under these subsections relate to other matters that have been spelt out in each of the amending subsections.

**Clause 1.182** rewrites section 61 to include the *governing before board* and to reflect modern drafting practice.

**Clause 1.183** inserts new notes into the dictionary.

**Clause 1.184** includes a dictionary definition of *authority*.

**Clause 1.185** replaces the dictionary definitions of *board* and *chairperson* with a definition for *chair*.

**Clause 1.186** removes from the dictionary the definition of *deputy long service leave registrar*.

**Clause 1.187** provides a dictionary definition of *governing board*.

**Clause 1.188** removes the dictionary definition of *member*.

**Clause 1.189** replaces the dictionary definition of *registrar*.

**Clause 1.190** replaces *board* with *authority* in various sections identified in the Bill.

**Clause 1.191** includes *governing before board* in various sections as identified in the Bill.

## **Part 1.15: National Exhibition Centre Trust Act 1976**

**Clause 1.192** replaces the long title with *An Act to establish an Exhibition Park Corporation*.

**Clause 1.193** replaces section 1 to rename the Act as the *Exhibition Park Corporation Act 1976*.

**Clause 1.194** replaces section 2.

**New section 2 Dictionary** and **New section 3 Notes** are self-explanatory.

**Clause 1.195** replaces Part 2.

### **Part 2 Establishment and function of corporation**

A new note for part 2 explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.196** inserts a new heading for Division 2.1.

#### **Division 2.1 Establishment and functions of corporation**

**New section 4 establishment of corporation.** The Exhibition Park Corporation is established.

**New section 5 Functions of corporation** identifies the various functions of the corporation.

**New section 6 Exercise of corporation's functions** identifies the various activities the corporation may undertake subject to certain actions requiring the Minister's written approval.

**New section 7 Sufficient revenue policy** requires the corporation to aim to earn enough revenue to meet its expenditure unless the Minister otherwise directs in writing.

**Clause 1.197** replaces Part 3.

#### **Division 2.2 Governing Board**

**New section 8 Establishment of governing board** indicates that the corporation has a governing board.

**New section 9 Governing board members** requires the board to have at least 7 but not more than 9 members.

**Clause 1.198** renumbers Part 4 as Part 3.

**Clause 1.199** replaces *trust* with *corporation* in Section 18.

**Clause 1.200** renumbers section 18 as section 10.

**Clause 1.201** renumbers part 5 as part 4.

**Clause 1.202** replaces Section 22 with new section 11.

**New section 11 Application of corporation money** requires that the money of the corporation only be used to pay costs, expenses or other obligations including remuneration and allowances payable by the authority.

**Clause 1.203** replaces the reference to *trust* with *corporation* in Section 26.

**Clause 1.204** renumbers section 26 as section 12.

**Clause 1.205** renumbers part 6 as part 5.

**Clause 1.206** replaces *trust may, under its common seal and* with *corporation may*, in Section 28(1).

**Clause 1.207** renumbers section 28 as section 13.

**Clause 1.208** renumbers part 7 as part 6.

**Clause 1.209** removes Section 29.

**Clause 1.210** replace Sections 29A with a new section 14.

**New section 14 Corporation's annual reports** requires the annual report to include details of any approvals under Sections 5, 6(4) or 13 (1) and any direction by the Minister under Section 7.

**Clause 1.211** replaces Section 30 with new section 15.

**New section 15 Racing Act 1999 etc not affected** indicates the *Racing Act 1999* and *the Gaming and Betting Act 1906* are not affected by this Act.

**Clause 1.212** renumbers section 31 as section 16.

**Clause 1.213** replaces the reference (*see s2*) in Schedule 1 with (*see dict, def national exhibition centre*).

**Clause 1.214** provides a new dictionary that defines key words and expressions in the Bill and includes references to other legislation.

## **Part 1.16: Planning and Land Act 2002**

**Clause 215** replaces the Section 9(3) note.

**Clause 1.216** includes a new note for Part 4.1.

The new note explains that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

**Clause 1.217** replaces section 38.

**New section 38 Establishment of land agency.** The Land Development Agency is established.

**Clause 1.218** replaces section 39(4) to require the land agency to act in accordance with the Territory Plan and in accordance with the latest statement of intent. This reflects that the land agency is no longer required to develop a separate business plan.

**Clause 1.219** replaces the Section 40 note.

**Clause 1.220** removes Sections 41 to 43.

**Clause 1.221** replaces the Part 4.2 heading.

### **Part 4.2 Financial and general land agency provisions**

**Clause 1.222** removes Division 4.2.1.

**Clause 1.223** removes Division 4.2.2.

**Clause 1.224** removes Division heading 4.2.3.

**Clause 1.225** renumbers sections 47 to 49 as sections 41 to 43.

**Clause 1.226** removes section 50.

**Clause 1.227** removes Division 4.2.4 heading.

**Clause 1.228** removes Section 51.

**Clause 1.229** replaces Section 52(1).

**New section 52(1) Ministerial directions to land agency** enables the Minister to give written directions regarding principles that are to govern its operations.

**Clause 1.230** replaces references to *section 52* with *section 44* in Sections 53(1) and 55(a).

**Clause 1.231** renumbers sections 52 to 56 as sections 44 to 48.

**Clause 1.232** replaces the Part 4.3 heading.

### **Part 4.3 Land agency governing board**

**Clause 1.233** replaces Sections 57 & 58.

**New section 49 Establishment of land agency board** indicates the land agency has a governing board.

**New section 50 Land agency board members** requires the board to have at least 5 but not more than 8 members and should contain members with expertise in land development, economics, public law, finance or accounting, public administration and engineering. Chief planning executive and staff of the Planning and Land authority are prohibited from becoming board members. The appointment of a member other than the chief executive officer must not be for a term longer than 4 years.

**Clause 1.234** removes Sections 59 to 61.

**Clause 1.235** removes Part 4.4.

**Clause 1.236** replaces the Part 4.5 heading.

### **Part 4.4 Land agency staff and consultants.**

**Clause 1.237** removes Division 4.5.1.

**Clause 1.238** removes Division 4.5.2 heading.

**Clause 1.239** replaces *are* with *must be* in Section 72.

**Clause 1.240** renumbers sections 72 to 74 as sections 51 to 53.

**Clause 1.241** removes Section 75.

**Clause 1.242** renumbers sections 76 and 77 as sections 54 and 55.

**Clause 1.243** replaces the Dictionary definitions of *business plan* and *chief executive officer* with a new definition of *chief executive officer*.

**Clause 1.244** replaces the Dictionary definitions of *land agency*, *land agency board*, *land agency board member*, *land agency chairperson* and *land agency deputy chairperson* with new definitions for *land agency*, *land agency board* and *land agency member*.

**Clause 1.245** replaces the dictionary definition of *sustainable development*.

## **Part 1.17: Planning and Land Regulations 2003**

**Clause 1.246** removes sections 5 to 8.

## **Part 1.18: Public Trustee Act 1985**

**Clause 1.247** replaces section 1.

**New Section 1 Name of Act.** This is the *Public Trustee Act 1985*.

**Clause 1.248** replaces the definition of *public trustee* in Section 4(1)

**Clause 1.249** relocates Section 4(1) definitions to the Dictionary.

**Clause 1.250** replaces the remainder of Section 4, which includes Dictionary, Notes and Administrative Act definitions.

**Clause 1.251** replaces Sections 5 and 6 to indicate that the Public Trustee is the public servant performing the duties of the public trustee and that the Deputy Public Trustee is the public servant performing the duties of the deputy trustee.

**Clause 1.252** replaces Section 8(2) to state that section 73(1) of the FMA does not apply to the public trustee.

**Clause 1.253** replaces Section 10

**New Section 10 Protection of public trustee etc from liability** stipulates that a public trustee official is not civilly liable for acting honestly and without recklessness.

**Clause 1.254** removes Sections 50 and 52

**Clause 1.255** replaces Section 53

**New Section 53 Ending board members appointments** indicates that this section applies to someone other than a public trustee.

Subsection 53 (2) outlines the grounds for which the responsible Minister has the discretion to terminate the appointment of a board member.

Subsection 53 (3) provides that the Minister may end the appointment of a member if the board resolves by at least a 2/3 majority to recommend to the Minister to terminate the member's appointment.

Subsection 53 (4) cannot make such a resolution unless the member concerned has been given at least 3 weeks written notice of the proposed resolution, that the member concerned has had the opportunity to make representations on their behalf to the board and a summary of the members representations including any documents has been included in the board minutes.

**New Section 53A Honesty, care and diligence of board members** requires governing board members to act with the same degree of honesty, care and diligence required by a director of a corporation in relation to the affairs of the corporation.

**New Section 53B Conflict of interest** specifies that a board member is required to take all reasonable steps to avoid a conflict of interest situation.

**New Section 53C Agenda to require disclosure of interest** requires the board to have a standing agenda item that any material interest in an issue to be discussed must be disclosed at the meeting.

**New Section 53D Disclosure of interests by board members.**

Subsection 53D(1) requires a board member to disclose as soon as possible any material interest in a matter to be or being considered by a meeting of the board.

Subsection 53D (2) requires the disclosure to be recorded in the board minutes and the member concerned must vacate the meeting or not take part in a decision by the board on the issue, unless the board decides otherwise.

Subsection 53D (3) requires any other board member with a material interest in the issue to vacate the meeting when the board is considering its decision under subsection (2). This is to avoid possible collusion when several board members have a material interest.

Subsection 53D (4) provides explanations of the terms *associate*, *executive officer*, *indirect interest* and *material interest* for the purposes of this section.

**New Section 53E Reporting of disclosed interests to Minister.**

Under subsection 53E(1) the senior member of the board must, within three months after the day of disclosure of a material interest, provide a written report about the disclosure to the responsible Minister.

Subsection 53E (2) requires the Senior member, within 31 days of the previous financial year, to give the responsible Minister, a statement of all the disclosures for that financial year.

Subsection 53E (3) requires the Minister to refer any statement received under subsection 53E (2) to the relevant Assembly Committee within 31 days.

Subsection 53E (4) provides explanations of the term relevant committee for the purposes of this section.

**New section 53F Protection of board members from liability** protects a board member from civil liability for an act or omission done honestly and without recklessness.

**New section 53G Indemnification and exemption of board members.**

Subsection 53G (1) prohibits the public trustee from exempting a board member (either directly or through another entity) from liability to the authority.

Subsection 53G (2) prohibits the public trustee from indemnifying a board member from a liability owed to the authority or a liability owed to someone other than the authority that did not arise from honest conduct.

Subsection 53G (3) prohibits the public trustee from indemnifying a board member (whether directly or through another entity and whether by agreement or by making a payment) against legal costs incurred in defending or resisting a proceeding if the



person is found to have a liability that could not be indemnified under subsection (2) or is found guilty as a result of criminal proceedings.

**Clause 1.256** substitutes Section 54

Division 6.2 Board Meetings

**New Section 54 Time and place of board meetings** outlines the basic procedures for arranging board meeting.

**New section 54A Presiding member at meetings** requires the senior member to preside at all meetings unless absent in which case the deputy chair presides. If the senior member is absent then the member chosen by the members present presides.

**New section 54B Quorum at meetings** requires at least two members to be present for business to be carried out at a board meeting.

**New section 54C Voting at meetings** provides that each member can vote at a meeting. If the votes are equal, the presiding member has the casting vote unless there is only two members present and the vote is split it must then be carried over to the next meeting.

**New section 54D Conduct of meetings etc** provides that the board can decide the means for conducting proceedings, providing all members can hear what is being said. A resolution is valid (even if not passed at a meeting) as long as all members agree in writing or by electronic communication and notice of the resolution is given. The board must keep minutes of meetings.

**Clause 1.257** renumbers Division 6.2 as Division 6.3

**Clause 1.258** inserts a new Dictionary.

## **Part 1.19: Remuneration Tribunal Act 1995**

**Clause 1.259** provides a new dot point in Schedule 1, part 1.2 indicating that the Act applies to governing board members of territory authorities, including the chief executive officer, except for members employed under the *Public Sector Management Act 1994*.

## **Part 1.20: Stadiums Authority Act 2000**

**Clause 1.260** replaces note 1 in Section 2.

**Clause 1.261** replaces Part 2.

### **Part 2           The authority**

Includes a note explaining that the governance of territory authorities is regulated by the *Financial Management Act 1996* as well as the act that establishes them.

#### **Division 2.1   Establishment and functions of the authority**

**New section 4 Establishment of authority.** The Stadiums Authority is established.

**New section 5 Functions of authority** identifies the functions of the authority.

**New section 6 Restrictions on dealings with assets** prevents the Authority from undertaking certain transactions without the Treasurer's prior written approval.

#### **Division 2.2   Governing Board**

**New section 7 Establishment of the governing board** indicated the authority has a governing board.

**New section 8 Governing board members** stipulates the board consists of not less than 5 nor more than 7 members.

**New section 9 Functions of the board** indicates the functions are advising the Minister on all significant issues affecting the authority and any other function given under Territory Law.

**Clause 1.262** replaces the Part 3 heading.

### **Part 3           Authority staff and consultants**

**Clause 1.263** removes Division 3.1.

**Clause 1.264** removes the Division 3.2 heading.

**Clause 1.265** replaces Sections 22 and 23.

**New section 10 Staff** requires staff to be employed under the *Public Sector Management Act 1994*.

**New section 11 Consultants** provides that the authority may engage but not enter into a contract of employment with consultants.

**Clause 1.266** replaces Parts 4 and 5.

## **Part 4            Miscellaneous**

**New section 12 Ministerial directions** stipulates that the Minister may give written directions after consulting with the board. The Minister must present a copy of any direction to the Legislative Assembly within 6 sitting days of the day after making the decision. In certain circumstances, the Territory must reimburse the authority for the net reasonable expense of complying with a direction.

**New section 13 Authority's annual report** requires the annual report to include certain details about any Ministerial directions for that year.

**New section 14 Regulation-making power** provides that the Executive may make regulations for this Act.

**Clause 1.267** provides a new Dictionary to define the meanings of *authority* and *governing board* and also includes references to other legislation.

## **Part 1.21: Taxation Administration Act 1999**

**Clause 1.268** replaces Section 97(d)(v) for the *Financial Management Act 1996*, section 104 or 105 – the Treasurer.

## **Part 1.22: University of Canberra Act 1989**

**Clause 1.269** replaces Section 35(2) to show that the *Financial Management Act 1996* applies to the University as if the council were a governing board, the chair refers to the chancellor and the chief executive officer refers to the vice-chancellor.

**Clause 1.270** replaces Schedule 1.

### **Schedule 1 Modifications of Financial Management Act 1996, pt 8**

**Clause 1.1** replaces Section 56.

**New section 56 Responsibilities of governing boards** indicates that the governing board has collective responsibility for the efficient and effective financial management of the authority.

**Clause 1.2** replaces Section 57 Banking accounts of territory authorities.

**Clause 1.3** replaces Section 58 Investment by territory authorities.

**Clause 1.4** removes Section 61 territory authority statements of intent.

**Clause 1.5** removes Section 62 Presentation of statements of intent of territory authorities.

**Clause 1.6** replaces Section 63 Annual financial statements of territory authorities.

**Clause 1.7** replaces Section 65 Audit of financial statements.

**Clause 1.8** replaces Section 67 Treasurer may require interim financial statements etc.

**Clause 1.9** removes Section 68 Statements of performance of territory authorities.

**Clause 1.10** removes Section 69 Responsibility of territory authority statement of performance.

**Clause 1.11** removes Section 70 Audit of statement of performance.

**Clause 1.12** removes Section 71 Presentation of performance statements.

**End**