

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are to amend the *Local Government Act 1993* (***the Principal Act***):

(a) to clarify the relationship between public-private partnerships and the tendering requirements under the Principal Act, and

(b) to clarify that certain annual charges (such as for domestic waste management and stormwater management services) may be levied on individual lots in a strata scheme and on company title properties.

This Bill also makes consequential amendments to other Acts and a regulation.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Clause 3 is a formal provision that gives effect to the amendments to the *Local Government Act 1993* set out in Schedule 1.

Clause 4 is a formal provision that gives effect to the consequential amendments to other legislation set out in Schedule 2.

Clause 5 provides for the repeal of the proposed Act after all the amendments made by the proposed Act have commenced. Once the amendments have commenced the proposed Act will be spent and section 30 of the *Interpretation Act 1987* provides that the repeal of an amending Act does not affect the amendments made by that Act.

Amendments relating to public-private partnerships and tendering requirements

Section 55 currently provides that a council must invite tenders before entering into certain contracts. Part 6 of Chapter 12 currently sets out the requirements in relation to the participation by councils in public-private partnerships. The proposed amendments make it clear that a council may choose to either go to tender or to use the public-private partnership model for certain projects.

Schedule 1 [1] amends section 55 to provide that contracts to enter into public-private partnerships and contracts entered into by a council for the purposes of carrying out a project under a public-private partnership are contracts for which a council is not required to invite tenders.

Schedule 1 [2] and [3] repeal section 55 (5)–(7) and insert a new section 55A to clarify the manner in which the tendering requirements under section 55 extends to entities formed by a council.

Schedule 1 [4] clarifies the nature and operation of public-private partnerships and, in particular, makes it clear that the types of services that relate to such partnerships are services that are delivered during the carrying out of any project under the partnership. **Schedule 2.1** makes a consequential amendment to clause 408 of the *Local Government (General) Regulation 2005* in relation to the types of arrangements that are excluded from the definition of ***public-private partnership***.

Amendments relating to annual charges

Part 1 of Chapter 15 of the Principal Act includes provision relating to the making and levying of annual charges for certain services provided by a council, including services such as water supply, sewerage, domestic waste management and stormwater management services.

Schedule 1 [5] inserts proposed section 495A to make it clear that such annual charges may be levied on individual lots in a strata scheme or on a company title dwelling or a portion of a company title building.

Schedule 2.2 and 2.3 contain consequential amendments to the *Strata Schemes (Freehold Development) Act 1973* and the *Strata Schemes (Leasehold Development) Act 1986*, respectively, to make it clear that annual charges in relation to stormwater

management services cannot be payable by the body corporate in relation to the relevant strata scheme.

Other amendments

Schedule 1 [6] enables savings and transitional regulations to be made as a consequence of the proposed Act.

Schedule 1 [7] inserts savings and transitional provisions as a consequence of the enactment of the proposed Act.