

Module	QLG – LOCAL GOVERNMENT FINANCE
Jurisdictions	QLD
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Module Application

The *QUEENSLAND LOCAL GOVERNMENT – LOCAL GOVERNMENT FINANCE* module informs Queensland local governments of their legislated legal obligations. The module also demonstrates effective practical advice and assistance to Queensland local governments implementing procedures and processes that will ensure compliance and regulatory accountability throughout all levels of the local government organisation.

To fulfil its purpose the module focuses on providing practical assistance to the Queensland local government intending to establish and maintain a robust foundational framework that determines;

- › How the organisation will function;
- › Who is the responsible decision maker;
- › What matters are relevant to the decision-making process; and
- › Whether the desired outcome has been achieved.

The Queensland local government, their employees and authorised individuals are all expected to be familiar with the broad landscape of legal obligations to which local governments are subject as well as more specific obligations relevant to particular sectors.

The *QUEENSLAND LOCAL GOVERNMENT – LOCAL GOVERNMENT FINANCE* module should be subscribed by all Queensland local government entities, their employees and authorised individuals. The aim of the module is to equip the subscriber with knowledge of their obligations and the skills they require to establish relevant systems and processes to ensure compliance throughout the local government organisation.

The Queensland local government entity must be financially sustainable to provide required services to the community on a continuing basis. It must establish policies, systems and controls necessary to ensure that it meets finance obligations. Local government policies, systems and procedures should be consistently reviewed to reflect changes in practices, expectations and obligations. Relevant staff members should be trained on the policies, procedures, controls and relevant financial management systems.

The *QUEENSLAND LOCAL GOVERNMENT – LOCAL GOVERNMENT FINANCE* module assists Queensland local governments to navigate and manage legal responsibilities related to finance.

The broad scope of the *QUEENSLAND LOCAL GOVERNMENT – LOCAL GOVERNMENT FINANCE* module is to provide the Queensland local government entity with answers to these questions;

- What are our legal obligations?
- From where are these legal obligations derived?
- How can we ensure that we are complying with our legal obligations? and
- What are the consequences if we do not comply with our legal obligations?

The *QUEENSLAND LOCAL GOVERNMENT – LOCAL GOVERNMENT FINANCE* module covers all legislated legal obligations of Queensland local government entities and demonstrates practical assistance and guidance to ensure that these obligations are complied with through the implementation and maintenance of best practice processes. The module also covers the role of the regulator and exemptions to the obligations, if applicable, and how they may or may not apply to the Queensland local government entity.

The module fulfils this objective by comprehensively covering three areas;

- Legislation;
- Obligations; and
- Consequences.

1. The legislative and regulatory landscape from which the primary legal obligations are derived;

- A New Tax System (Goods and Services Tax) Act 1999 (Cth);
- Auditor-General Act 2009 (QLD);
- Local Government Act 2009 & Regulations 2012 (QLD);
- Land Tax Act 2010 (QLD);
- Land Title Act 1994 (QLD);
- Land Valuation Act 2010 (QLD);
- City of Brisbane Act 2010 & Regulations 2012 (QLD);
- Financial Accountability Act 2009 & Regulations 2009 (QLD);
- Financial and Performance Management Standard 2009 (QLD);
- Greenhouse Gas Storage Act 2009 (QLD);
- Payroll Tax Act 1971 (QLD);
- Statutory Bodies Financial Arrangements Act 1982 & Regulations 2018 (QLD);
- Superannuation Guarantee (Administration) Act 1992 (Cth); and
- Public Records Act 2002 (QLD);

2. The specific areas where financial legal and regulatory obligations apply to the Queensland local government entity;

- › General and special rates and charges;
- › Levying and payment;
- › Land value;
- › Utilities;
- › Adjustments and increases;
- › Concessions;
- › Overdue;
- › Land record; and
- › Fees.
- › Financial planning management and accountability;
- › Systems;
- › Insurance;
- › Reimbursement;
- › Remuneration;
- › Trust fund;
- › Discretionary funds; and
- › Risk management and data security.
- › Financial planning and accountability documents;
- › Statements and reports;
- › Policies;
- › Internal and external audits and reporting.
- › Preparation and contents of annual reports.
- › Annual budget;
- › Preparation and content;
- › Adoption, approval and amendment;
- › Long term financial forecast;
- › Revenue statements and asset accounting; and
- › Unauthorised spending.
- › Preparation, contents and adoption of the annual operational plan.
- › Record keeping and public access to financial and planning records.
- › Councillor's financial accountability;
- › Use of funds; and
- › Liability for loans and borrowings.
- › Superannuation;
- › Exemptions and adjustments;
- › Yearly contributions; and
- › Schemes.
- › General financial arrangements;
- › Taxes;
- › Loans;
- › Banking and investments;
- › Appointing fund managers;
- › Approvals;
- › Employee benefits;
- › Derivative transactions;
- › Pricing and fair value;
- › Accounting for property, plant and equipment; and
- › Goodwill and assets.

3. If the Queensland local government has failed to meet its obligations to the community and state it may be required to communicate the failure to affected parties and take every reasonable step to prevent the failure happening again. Failing to financial obligations may also result in the imposition of significant legal consequences. The penalties that apply to the local government are, in some cases, also applicable to authorised persons of the local government who permitted the offence to occur. Such penalties can include substantial pecuniary penalties as well as criminal penalties such as imprisonment. The range of consequences that may be imposed on an offending local government are discussed in detail in the *QUEENSLAND LOCAL GOVERNMENT – LOCAL GOVERNMENT FINANCE* module.

The *QUEENSLAND LOCAL GOVERNMENT – LOCAL GOVERNMENT FINANCE* module does not cover the rights or entitlements of individuals who have suffered damages or losses due to breaches of obligations by Queensland local governments. The module does not cover the process that an entity or an individual would follow to report or seek compensation for the breach or their loss.

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