

NORTHERN TERRITORY OF AUSTRALIA

LOCAL GOVERNMENT GRANTS COMMISSION ACT 1986

As in force at 18 August 2023

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NORTHERN TERRITORY OF AUSTRALIA

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LOCAL GOVERNMENT GRANTS COMMISSION ACT 1986

An Act to establish a Local Government Grants Commission to make recommendations concerning the distribution of financial assistance to local government bodies and for related purposes

Part I Preliminary

1 Short title

This Act may be cited as the *Local Government Grants Commission Act 1986*.

2 Commencement

This Act shall come into operation on a date to be fixed by the Administrator by notice in the *Gazette*.

3 Definitions

In this Act:

Chairperson means:

- (a) the Chairperson of the Commission appointed under section 6; or
- (b) if a deputy of the Chairperson appointed under section 9(1) is exercising the powers or performing the functions or duties of the Chairperson – that deputy.

Commission means the Northern Territory Grants Commission established by this Act.

committee means a committee of the Commission established under section 14.

local governing body means a local government council or a body declared by the Minister under section 19 to be a local governing body.

member means a member of the Commission.

report means a report of the Commission under section 16.

Part II Establishment of Local Government Grants Commission

4 Establishment of Commission

- (1) There is established by this Act a commission to be known as the Northern Territory Grants Commission.
- (2) The Commission:
 - (a) is a body corporate with perpetual succession;
 - (b) shall have a common seal; and
 - (c) is capable, in its corporate name, of acquiring, holding and disposing of real (including leasehold) and personal property and of suing and being sued.
- (3) All courts, judges and persons acting judicially shall take judicial notice of the common seal of the Commission affixed to a document and shall assume that it was duly affixed.

5 Composition of Commission and appointment of members

- (1) The Commission is to consist of 4 members, of whom:
 - (a) subject to subsection (2), 3 are to be appointed by the Minister; and
 - (b) one is to be the Chief Executive Officer of the Agency or their nominee.
- (2) Of the members appointed under subsection (1)(a):
 - (a) one must be a person who, in the opinion of the Minister, is capable of representing the interests of councils for municipalities (as defined in section 7 of the *Local Government Act 2019*); and
 - (b) one must be a person who, in the opinion of the Minister, is capable of representing the interests of councils for shires or regions (as defined in section 7 of the *Local Government Act 2019*).
- (3) The Minister must, before making an appointment under subsection (2), request the prescribed corporation within the meaning of section 9 of the *Local Government Act 2019* to

nominate 3 persons from whom may be appointed a member to represent the interests of municipal councils and 3 other persons from whom may be appointed a member to represent the interests of shire councils or regional councils.

- (4) Nominations under subsection (3) are to be made to the Minister on or before a date specified by the Minister.

6 Chairperson

- (1) The Minister must appoint one member appointed under section 5(1)(a) to be the Chairperson.
- (2) The Chairperson holds office for 5 years or such lesser term as is specified by the Minister but is eligible for re-appointment.

7 Period of appointment of members

A member appointed under section 5(1)(a) holds office for 5 years or such lesser term as is specified by the Minister but is eligible for re-appointment.

8 Termination of appointment of member

- (1) The Minister may terminate the appointment of the Chairperson or a member appointed under section 5(1)(a):
- (a) for misbehaviour or incompetence; or
 - (b) if the member becomes incapable of performing the member's duties and the Minister is of the opinion that it is reasonable in the circumstances to terminate his appointment.
- (2) The Minister must terminate the appointment of the Chairperson or a member appointed under section 5(1)(a) if the member:
- (a) becomes bankrupt, applies to take the benefit of any law for the relief of bankrupts or insolvent debtors, compounds with the member's creditors or makes an assignment of the member's remuneration for their benefit;
 - (b) is convicted of an offence involving dishonesty;
 - (c) is absent without leave granted by the Commission from 3 consecutive meetings of the Commission; or
 - (d) becomes of unsound mind.

- (3) The Chairperson or a member appointed under section 5(1)(a) may resign the member's office in writing signed by the member and delivered to the Minister.

9 Appointment of deputy members

- (1) The Minister may appoint a person to be a deputy of the Chairperson or of a member appointed under section 5(1)(a).
- (2) A person appointed as a deputy under subsection (1) must have qualifications and experience similar to that of the Chairperson or the member for whom the member is appointed as a deputy.
- (4) A deputy may exercise the powers and perform the functions and duties of the Chairperson or the member, as the case may be, for whom the deputy is appointed as a deputy.
- (5) An act done or omitted to be done by a deputy is taken to have been done or omitted to have been done by the Chairperson or the member, as the case may be, for whom the deputy is appointed as a deputy.

10 Validity of action of Commission

An act or decision of the Commission shall not be invalid by reason only of a vacancy in the office of a member or of any defect in the appointment of a member.

11 Proceedings of Commission

- (1) The Commission must meet as often as is necessary to carry out its functions and must meet when required to do so by the Minister.
- (2) The Commission has the power to devise such rules as it considers necessary to allow it to organise its affairs in an efficient manner.
- (3) The Chairperson or a deputy of the Chairperson must preside at all meetings of the Commission.
- (4) At a meeting of the Commission the Chairperson and 2 members constitute a quorum.
- (5) A question arising at a meeting of the Commission must be determined by a majority of the votes of the Chairperson and members present.
- (6) The Chairperson at a meeting of the Commission has a deliberative vote and in the event of an equality of votes also has a casting vote.

Part III Functions and powers of Commission

12 Functions of Commission

- (1) The functions of the Commission are to make recommendations to the Minister in a report in respect of:
 - (a) the amounts of money to be allocated to local governing bodies from the money provided to the Territory under the *Local Government (Financial Assistance) Act 1995 (Cth)*; and
 - (b) such other matters relating to the finances of local governing bodies as the Minister from time to time, refers to the Commission.
- (2) In making a recommendation to the Minister under subsection (1)(a), the Commission shall ensure that:
 - (a) the total amount of all money recommended to be allocated in a financial year is equal to the amount of money provided to the Territory under the *Local Government (Financial Assistance) Act 1995 (Cth)* for that year; and
 - (b) as far as possible, the amount of money recommended to be allocated to a local governing body is sufficient to enable it, by reasonable effort, to function at a standard not appreciably below that of other local governing bodies which are, in the opinion of the Commission, similar to that body in relation to those matters the Commission considers relevant.
- (3) In respect of money which is not provided to the Territory under the *Local Government (Financial Assistance) Act 1995 (Cth)*, the Commission in making a recommendation to the Minister under subsection (1) in respect of a local governing body may take into account the special needs or disabilities of that body.

13 Powers of Commission

- (1) The Commission has power to do all things necessary or convenient to be done in connection with or incidental to the performance of its functions.
- (2) Without limiting the generality of subsection (1), but subject to subsection (3) and to section 12(1), the Commission has the power to:
 - (a) conduct such inquiries and carry out such investigations as it considers necessary in order to perform its functions;
 - (b) recommend special grants to local governing bodies; and

- (c) recommend that a proposed recipient of a special grant be not obliged to apply that grant for any specific purpose.
- (3) Notwithstanding subsection (2), the Commission shall not in respect of a matter referred to it under section 12(1)(b) make a recommendation to the Minister which is inconsistent with a principle, if any, which the Minister specifies in referring the matter to the Commission.

14 Committee of Commission

- (1) The Chairperson may, by notice in writing, establish a committee of the Commission.
- (2) A committee consists of such member or members as the Chairperson appoints.
- (3) Subject to such limitations, if any, as the Chairperson may determine, a committee may exercise such of the powers of the Commission to hold an inquiry or to carry out an investigation as the Chairperson determines and specifies in the notice under subsection (1) establishing the committee.
- (4) Nothing in this section prevents:
 - (a) the Chairperson from appointing more than one committee at any one time; or
 - (b) if more than one committee is appointed at any one time, a committee from exercising its powers under this Act.
- (5) An inquiry held, investigation carried out or other thing done by a committee under this section is taken to be an inquiry held, investigation carried out or thing done by the Commission.

15 Conduct of inquiry

Where under this Act the Commission or a committee holds an inquiry, the *Inquiries Act 1945* (other than the requirement to report under that Act) shall apply to and in relation to that inquiry as if:

- (a) the Commission or committee were a Board appointed; and
- (b) the subject of the inquiry were a matter specified in an instrument of appointment of a Board,

under section 4 of that Act.

Part IV Miscellaneous**16 Report of Commission**

- (1) By 15 November in each year, the Commission must give the Minister a report on the activities of the Commission during the immediately preceding financial year.
- (2) Without limiting subsection (1), the report must contain the following:
 - (a) all recommendations of the Commission under section 12 made in the year to which the report relates;
 - (b) a summary of the methodology used and the amounts last recommended by the Commission to be allocated;
 - (c) a summary of all inquiries held or investigations carried out by the Commission during the year.

17 Consideration of recommendations of Commission

- (1) The Minister on receipt of a report may:
 - (a) accept the recommendations contained in the report; or
 - (b) return the report to the Commission with a request that it reconsider a recommendation in relation to a particular matter.
- (2) Where under subsection (1)(b) the Minister returns a report to the Commission with a request that it reconsider a recommendation, the Commission shall reconsider the recommendation and take into account any matter referred to by the Minister and shall forward the report to the Minister with such further recommendation as it thinks fit.
- (3) The Minister shall, on receipt of a recommendation of the Commission under subsection (2), where the recommendation relates to money provided to the Territory under the *Local Government (Financial Assistance) Act 1995* (Cth), approve that recommendation.
- (4) The Minister shall within 6 sitting days of the Legislative Assembly after:
 - (a) accepting the recommendations in a report in accordance with section 17(1)(a); or
 - (b) receiving a report under section 17(2),

table that report in the Legislative Assembly.

18 Commission may require information

- (1) The Commission shall in respect of each financial year, by notice in writing to each local governing body, require each body, within the time specified in the notice, to provide the Commission with such information as to its affairs, in such form, as the Commission specifies in the notice.
- (2) The Commission may, by notice in writing, require a local governing body to provide the Commission within the time specified in the notice, such further or other information in relation to its affairs, in such form, as the Commission specifies in the notice.
- (3) Where a local governing body fails to comply with a notice under subsection (1) or (2), the Commission is not bound, in respect of the financial year to which the notice relates, to make a recommendation in relation to the payment of a special grant to that body.

19 Declaration of local governing body

The Minister may, for the purposes of this Act, by notice in the *Gazette* declare a body to be a local governing body.

20 Notification of amount of funds

The Minister shall, as soon as practicable in each financial year, notify the Commission of the total amounts of money proposed to be made available for allocation to local governing bodies in that financial year, for the purpose of enabling the Commission to perform its functions under this Act.

22 Staff

- (1) Subject to subsection (2), the Commission may employ, on such terms and conditions as it thinks fit, such persons as it thinks necessary for the purposes of the Commission.
- (2) The Commission may, by agreement with the Commissioner for Public Employment, employ a public sector employee to assist the Commission in the carrying out of its functions.

Part V Transitional matters for Local Government Grants Commission Amendment Act 2023

23 Amendments to title of Chairperson

The amendments to this Act by the *Local Government Grants Commission Amendment Act 2023* do not affect an appointment to the Commission of any person who held the appointment immediately before the commencement of section 4 of that Act, other than to the extent the amendments change the title of the position to which the person is appointed.

24 Timing of repeal of audit requirement

For the purposes of section 10 of the *Financial Management Act 1995*, the repeal of section 21 of this Act is taken to have had effect at the end of the financial year immediately preceding the financial year in which section 5 of the *Local Government Grants Commission Amendment Act 2023* commences.

ENDNOTES
1 KEY

Key to abbreviations

amd = amended	od = order
app = appendix	om = omitted
bl = by-law	pt = Part
ch = Chapter	r = regulation/rule
cl = clause	rem = remainder
div = Division	renum = renumbered
exp = expires/expired	rep = repealed
f = forms	s = section
Gaz = Gazette	sch = Schedule
hdg = heading	sdiv = Subdivision
ins = inserted	SL = Subordinate Legislation
lt = long title	sub = substituted
nc = not commenced	

2 LIST OF LEGISLATION***Local Government Grants Commission Act 1986 (Act No. 22, 1986)***

Assent date	30 June 1986
Commenced	1 July 1986 (<i>Gaz S37</i> , 1 July 1986)

Local Government Grants Commission Amendment Act 1988 (Act No. 56, 1988)

Assent date	17 November 1988
Commenced	1 December 1988 (s 2)

Public Sector Employment and Management (Consequential Amendments) Act 1993 (Act No. 28, 1993)

Assent date	30 June 1993
Commenced	1 July 1993 (s 2, s 2 <i>Public Sector Employment and Management Act 1993 (Act No. 11, 1993)</i> and <i>Gaz S53</i> , 29 June 1993)

Local Government (Consequential Amendments) Act 1993 (Act No. 84, 1993)

Assent date	31 December 1993
Commenced	1 June 1994 (s 2, s 2 <i>Local Government Act 1993 (Act No. 83, 1993)</i> and <i>Gaz S35</i> , 20 May 1994)

Financial Management (Consequential Amendments) Act 1995 (Act No. 5, 1995)

Assent date	21 March 1995
Commenced	1 April 1995 (s 2, s 2 <i>Financial Management 1995 (Act No. 4, 1995)</i> and <i>Gaz S13</i> , 31 March 1995)

Statute Law Revision Act 2007 (Act No. 4, 2007)

Assent date	8 March 2007
Commenced	8 March 2007

Local Government (Consequential Amendments) Act 2008 (Act No. 28, 2008)

Assent date	14 November 2008
Commenced	1 July 2008 (s 2)

Local Government Grants Commission Amendment Act 2009 (Act No. 36, 2009)

Assent date 15 December 2009
Commenced 15 December 2009

Local Government Amendment Act 2013 (Act No. 28, 2013)

Assent date 8 November 2013
Commenced 8 November 2013

Local Government Amendment Act 2014 (Act No. 19, 2014)

Assent date 2 June 2014
Commenced s 16: 1 July 2014; s 18: 1 December 2014; rem: 2 June 2014 (s 2)

Local Government Act 2019 (Act No. 39, 2019)

Assent date 13 December 2019
Commenced pt 8.6: 1 July 2022; rem: 1 July 2021 (*Gaz S27*, 30 June 2021)

Amending Legislation

Statute Law Revision Act 2020 (Act No. 26, 2020)

Assent date 19 November 2020
Commenced 20 November 2020 (s 2)

Local Government Amendment Act 2021 (Act No. 15, 2021)

Assent date 25 May 2021
Commenced 26 May 2021 (s 2)

Local Government Grants Commission Amendment Act 2023 (Act No. 21, 2023)

Assent date 17 August 2023
Commenced 18 August 2023 (s 2)

3 GENERAL AMENDMENTS

General amendments of a formal nature (which are not referred to in the table of amendments to this reprint) are made by the *Interpretation Legislation Amendment Act 2018* (Act No. 22 of 2018) to: ss 1, 5, 15, 21 and 22.

4 LIST OF AMENDMENTS

s 3 amd No. 84, 1993, s 4; No. 28, 2008, s 3; No. 36, 2009, s 3; No. 19, 2014, s 26; No. 21, 2023, s 4
s 5 sub No. 56, 1988, s 4
amd No. 28, 1993, s 3; No. 84, 1993, s 4; No. 28, 2008, s 3; No. 28, 2013, s 61; No. 39, 2019, s 370; No. 21, 2023, s 7
s 6 amd No. 21, 2023, s 7
s 8 amd No. 21, 2023, s 7
s 9 amd No. 56, 1988, s 5; No. 28, 1993, s 3; No. 21, 2023, s 7
s 11 amd No. 56, 1988, s 6; No. 21, 2023, s 7
s 12 amd No. 4, 2007, s 7
s 14 amd No. 21, 2023, s 7
s 16 amd No. 36, 2009, s 4
s 17 amd No. 4, 2007, s 7
s 21 sub No. 5, 1995, s 19
rep No. 21, 2023, s 5

ENDNOTES

s 22	amd No. 28, 1993, s 3; No. 21, 2023, s 7
pt V hdg	ins No. 21, 2023, s 6
ss 23 – 24	ins No. 21, 2023, s 6