



Government
of South Australia

TRS19D1092

Hon Stephen Mullighan MP
Member for Lee
Unit 1, 62 Semaphore Road
SEMAPHORE SA 5019

lee@parliament.sa.gov.au

Treasurer

Level 8
State Administration Centre
200 Victoria Square
Adelaide SA 5000
GPO Box 2264
Adelaide SA 5001
DX 56203 Victoria Square
Tel 08 8226 1866
treasurer.dtf@sa.gov.au


Dear Mr Mullighan

APPLICATION UNDER THE FREEDOM OF INFORMATION ACT 1991

I refer to your application made under the *Freedom of Information Act 1991* (FOI Act), dated 9 May 2019.

Your application seeks access to:

"All minutes, briefings and correspondence titled 'Local Government Finance Authority (LGFA) policy document 2018' as described on the Objective document management system, between 12 July 2018 and 9 May 2019."

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. I refer to my letter dated 26 May 2019 where I sought additional time to make my determination.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 1 document was identified as answering the terms of your application.

I grant you access in part to 1 document, a copy of which is enclosed.

Document Released in Part

Document 1 is a briefing which was prepared by SAFA for my consideration in relation to LGFA's risk policy document. The policy briefing (Attachment 1) contains information which is an integral part of the business operations of LGFA. This is a confidential document and access is generally restricted to LGFA Board Members and staff.

This information is also contained in the briefing and Attachment 2, to which I grant you access in part.

I therefore determine this exempt pursuant to clause 7(1)(c) to the FOI Act.

Exemptions

Clause 7 – Documents affecting business affairs concerning

(1) *A document is an exempt document—*

(c) *if it contains matter—*

- (i) *consisting of information (other than trade secrets or information referred to in paragraph (b)) concerning the business, professional, commercial or financial affairs of any agency or any other person; and*
- (ii) *the disclosure of which—*
 - (A) *could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of such information to the Government or to an agency; and*
 - (B) *would, on balance, be contrary to the public interest.*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, Section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, Section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on 8226 9769.

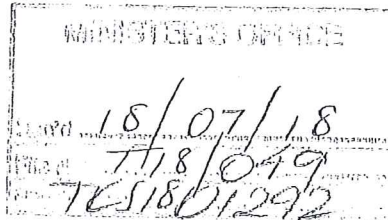
Yours sincerely



Hon Rob Lucas MLC
Principal Officer

6 August 2019

MINUTE



MINUTES forming ENCLOSURE

File SAF18/1420
Doc No SF18D00186

To The Treasurer

**LOCAL GOVERNMENT FINANCE AUTHORITY OF SA (LGFA) POLICY DOCUMENT
2018**

Timing: ROUTINE — For information and approval

Recommendations/Issues: It is recommended that you:

- Note that SAFA has reviewed LGFA's risk policy document;
- Note that SAFA considers the policies contained in LGFA's risk policy document are suitable for the size and extent of the Authority's operations; and
- Approve the attached copy of LGFA's risk policy document.

Approved/Note approved

Hon Rob Lucas MLC
Treasurer

18/7/18

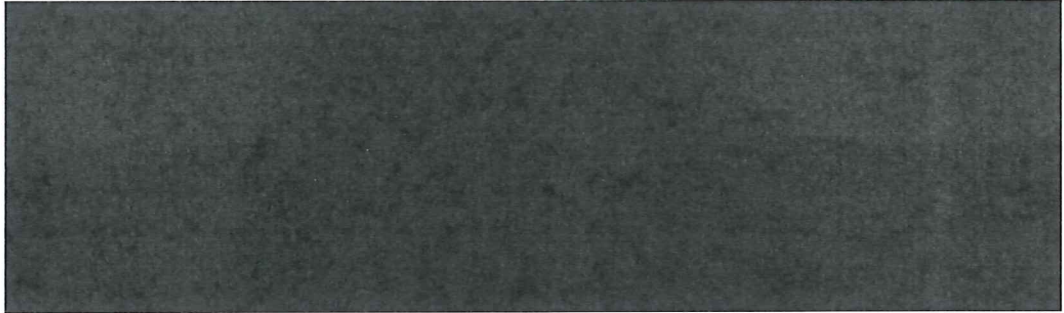
Key Points:

- LGFA is required to update and maintain its risk policy document to be consistent with the Treasurer's approval of its borrowing, investment and financial arrangements. A copy of the Authority's risk policy document is submitted each year for the Treasurer's approval.
- LGFA has forwarded a copy of its risk policy document (Attachment 1) for your approval.
- It is noted that LGFA has amended its risk policy document to include the following:

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- SAFA considers that the policies contained in LGFA's risk policy document are suitable for the size and extent of the Authority's operations; and remain consistent with the Authority's current approved borrowing, investment and financial arrangements.
- Attachment 2 provides background information on the LGFA and key features of its Risk Policy document.

Kevin Cantley
GENERAL MANAGER, SAFA

17.1.7 /2018

Contact Officer:	Kathy Yankoff
Telephone:	8228 9632
Email address:	kathy.yankoff@sa.gov.au

Local Government Finance Authority of SA

Background information

- The Local Government Finance Authority of SA (LGFA) is a statutory authority established by State legislation (*Local Government Finance Authority Act 1983*) for the benefit of councils and other prescribed local government bodies within the State of South Australia.
- The functions of the Authority under its Act are:
 - to develop and implement borrowing and investment programmes for the benefit of councils and prescribed local government bodies; and
 - to engage in such other financial activities as are determined by the Minister, after consultation with the LGA, to be in the interests of local government.
- The powers of LGFA under its Act are broad in scope. However, LGFA must obtain the Treasurer's approval before entering into a range of financial arrangements (eg. making a loan (other than one to a council or prescribed local government body), investing, borrowing (other than by way of acceptance of money on deposit or loan from a council or prescribed local government body), entering into a partnership or joint venture or forming a company).
- All the liabilities of LGFA (including monies accepted on deposit from local authorities) are guaranteed by the Treasurer.
- LGFA pays guarantee fees to Consolidated Account in respect of the Treasurer's guarantee of its liabilities.
- The Treasurer has issued a standing approval (incorporating a sunset clause) for LGFA to undertake borrowings, derivative transactions and authorised investments.
- LGFA is required to submit its Risk Policy document to the Treasurer for review and approval on an annual basis and provide semi-annual reports on its borrowing, debt management and derivative usage.
- In March 2018, as part of its semi-annual report to DTF, LGFA provided the following 30 June 2018 estimates of total assets, total liabilities and capital base:



Risk Policy Document

