



Australian Capital Territory

Financial Management Amendment Act 2023

A2023-32

An Act to amend the *Financial Management Act 1996*

The Legislative Assembly for the Australian Capital Territory enacts as follows:

1 Name of Act

This Act is the *Financial Management Amendment Act 2023*.

2 Commencement

This Act commences on a day fixed by the Minister by written notice.

Note 1 The naming and commencement provisions automatically commence on the notification day (see [Legislation Act](#), s 75 (1)).

Note 2 A single day or time may be fixed, or different days or times may be fixed, for the commencement of different provisions (see [Legislation Act](#), s 77 (1)).

Note 3 If a provision has not commenced within 6 months beginning on the notification day, it automatically commences on the first day after that period (see [Legislation Act](#), s 79).

3 Legislation amended

This Act amends the *Financial Management Act 1996*.

4 New part 9A

insert

Part 9A Insourcing framework

126 Meaning of *public sector entity*—pt 9A

(1) In this part:

public sector entity means any of the following:

- (a) a directorate;
- (b) a body established under an Act;

- (c) an officer of the Assembly;
 - (d) the Office of the Legislative Assembly;
 - (e) an entity prescribed by regulation.
- (2) However, a **public sector entity** does not include—
- (a) a territory-owned corporation; or
 - (b) a subsidiary of a territory-owned corporation; or
 - (c) an entity prescribed by regulation.

127 Responsible chief executive officer to ensure compliance with this part

- (1) The responsible chief executive officer for a public sector entity must ensure that the entity complies with this part.
- (2) In this section:
- responsible chief executive officer** means—
- (a) for a directorate—the responsible director-general; and
 - (b) for a body established under an Act—the person responsible for managing the affairs of the body; and
 - (c) for an officer of the Assembly—the officer; and
 - (d) for the Office of the Legislative Assembly—the clerk of the Legislative Assembly; and
 - (e) for an entity prescribed by regulation—the person responsible for managing the affairs of the entity.

128 Insourcing framework

- (1) The Chief Minister must determine a framework (the *insourcing framework*) for evaluating whether services or works required by a public sector entity should be provided by a public sector entity or an external provider.
- (2) For section 129 (1) (b), the insourcing framework may provide for how the likely cost of services or works is worked out.
- (3) A determination is a disallowable instrument.

129 Insourcing evaluation for services or works

- (1) This section applies if—
 - (a) a public sector entity requires services or works; and
 - (b) if a regulation prescribes an amount for this paragraph—the likely cost of the services or works is equal to or greater than the amount.
- (2) However, this section does not apply to services or works provided by the Commonwealth or a State, or an entity of the Commonwealth or a State.

Example

services or works provided by the entity known as the Office of the Commonwealth Ombudsman (see [Ombudsman Act 1976](#) (Cwlth), s 4A)

Note **State** includes the Northern Territory (see [Legislation Act](#), dict, pt 1).

- (3) The public sector entity must evaluate whether the required services or works should be provided by a public sector entity or an external provider in accordance with the insourcing framework.
- (4) In this section:
insourcing framework—see section 128 (1).

5 Dictionary, new definition of *public sector entity*

insert

public sector entity, for part 9A (Insourcing framework)—see section 126.

Endnotes

1 Presentation speech

Presentation speech made in the Legislative Assembly on 1 December 2021.

2 Notification

Notified under the [Legislation Act](#) on 7 July 2023.

3 Republications of amended laws

For the latest republication of amended laws, see www.legislation.act.gov.au.

I certify that the above is a true copy of the Financial Management Amendment Bill 2023, which originated in the Legislative Assembly as the Financial Management Amendment Bill 2021 (No 2) and was passed by the Assembly on 29 June 2023.

Acting Clerk of the Legislative Assembly

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