

Northern Territory Grants Commission  
**Annual Report 2016-17**



The Hon. Gerry McCarthy MLA  
Minister for Housing and Community Development  
Parliament House  
DARWIN NT 0801

Dear Minister

In accordance with section 16 of the *Local Government Grants Commission Act*, I have pleasure in presenting to you the Annual Report for the Northern Territory Grants Commission on its activities for 2016-17. Included in the report are the financial statements for the year ended 30 June 2017.

Yours sincerely



**Dr David Ritchie**  
Chair  
29 September 2017



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# Foreword

I am pleased to present the 31st annual report of the Northern Territory Grants Commission. This report contains information on the distribution of funding provided to the Northern Territory's local governing bodies under the *Commonwealth's Local Government (Financial Assistance) Act 1995*, as well as details on the objectives, performance and future directions of the Commission. I hope that the report conveys sufficient relevant information on the Commission's programs and performance during the year to enable any agency, organisation or individual so interested to assess its operations and functioning.

## Resumption of indexation and pre-payments

The major focus for this period was the determination of general purpose and local roads grants for each Northern Territory Local Government council for 2017-18. The Commonwealth Government's decision, announced in its May budget to re-commence indexation on the national pool of financial assistance grants from 2017-18 has been welcomed. This announcement although anticipated was a still an apprehensive wait.

The Commission was also taken by surprise with the Commonwealth request on 23 May 2017 to make a \$16.8 million pre-payment to councils prior to the end of the financial year. These funds were received from the Commonwealth on 7 June 2017 and paid to councils according to the Commonwealth's allocations which were derived from the 2016-17 grant relativities.

The following is discussed in greater detail in the "Summary of Activities 2016-17" section of the report.

- National Conference
- Executive Officers' Conference; and
- Visits and Public Hearings

## Thanks Past and Present

### Past

It is important to acknowledge the end of an era for two members of the Northern Territory Grants Commission, namely Mr Bob Beadman and Mr Peter Thornton. Bob Beadman's tenure on the Commission was for a period of almost 14 years (1 November 2002 to 31 October 2016) and Peter Thornton's tenure was almost 13 years, over two separate durations (28 July 2009 to 28 April 2017 and 01 July 1990 to 30 June 1996).

During Bob's time as Chairman he presided over a number of methodology reviews and "steered the ship" through the 2008 local government reform. This process saw the number of councils in the Northern Territory reduced from 63 to 16 initially, but with the more recent establishment of the West Daly Regional Council the number is currently 17.

One of the key mantras of Bob Beadman was moving money from the "bitumen to the bush". Not long into his tenure as Chairman he questioned the other commissioners and the Commission secretariat as to why councils like Darwin, Palmerston and Litchfield were not on what is known as the 30% per capita minimum grant. In Bob's mind these councils were receiving a disproportionate share of the funds received by the NT at the expense of the high need remote and predominately Indigenous councils. The rest, as they say, is history, as the following councils are all now anchored on the 30% per capita minimum grant: Darwin Palmerston, Litchfield, Coomalie and Wagait.

The reform process precipitated a flurry of activity within the Commission as methodologies needed to be modified, financial and road data collected and populations for these new entities were determined. As the Executive Officer, Peter Thornton was instrumental ensuring the methodologies had credence and defensibility.

At the annual conferences both Bob and Peter's reputations were well known. Bob's reporting and presentations to his fellow Chairs and commissioners were always entertaining and at times provocative which certainly kept the Commonwealth on their toes, particularly if there were contentious issues floating around at the time.

The executive officers of the other state Grant Commissions all farewelled Peter with kind words and appreciation indicating they didn't think there would be another Executive Officer quite like him with his boisterous and jovial ways. They further acknowledged that his many years of service as the Executive Office of the Northern Territory Grants Commission would be unsurpassed.

The Commission wishes both Bob and Peter all the best in their future endeavours and retirement.

### **Present**

On behalf of the current Commission members, I wish to record our appreciation for the valuable cooperation and assistance that we have received during our work throughout the year from local governing bodies, and in particular, those visited during the course of the year.

The Commission is grateful for the executive support and assistance provided by Mr Peter Thornton and Mrs Donna Hadfield, Local Government Grants Unit of the Department of Housing and Community Development, combined with the assistance, and services provided by the Department's regional offices.

I would also like to acknowledge the efforts of my colleagues Mr Shaun Hardy, Mr David Alexander, Mr Damien Ryan and Mr Steven Hennessy. Their assistance has been very much appreciated.



**Dr David Ritchie**  
Chairman

# The Commission

## Background

On 1 July 1986, the Australian Government began a process of yearly appropriations to the state/territory governments for distribution as financial assistance grants to local governing bodies within the respective jurisdictions. A subsequent review of the enabling legislation led to the current Act, the *Local Government (Financial Assistance) Act 1995*.

Under section 6(1) of the Act, the Australian Government Minister for Local Government, after consulting with the relevant state Ministers and with bodies representative of local government, must formulate national principles.

In formulating the national principles, the Minister:

- a. is to have regard to the need to ensure that the allocation of funds for local government purposes is made, as far as practicable, on a full horizontal equalisation basis; but
- b. must ensure that no local governing body will be allocated an amount in a year that is less than the amount that would be allocated to the body if 30 per cent of the amount to which the state/territory is entitled, in respect of the year, was allocated among local governing bodies on a per capita basis.

The *Local Government (Financial Assistance) Act 1995* also repeated a requirement from an earlier Act that each state and the Northern Territory have a Local Government Grants Commission. In accordance with that requirement, the Northern Territory legislated for a statutory, independent commission, the Northern Territory Grants Commission, in June 1986.

## Role of the Northern Territory Grants Commission

The Commission is established as an independent statutory authority under the *Local Government Grants Commission Act*. Its primary role is to recommend the allocation of the financial assistance grants provided by the Australian Government for Northern Territory local governing bodies in the form of general purpose grants and local roads grants.

## Relevant Legislation

The Northern Territory's *Local Government Grants Commission Act* also provides for the appointment of Commission members, and specifies the general operations of the Commission, including the annual reporting requirements.

The Australian Government's *Local Government (Financial Assistance) Act 1995* provides for the basis of the allocation of financial assistance by each Local Government Grants Commission to its respective local governing bodies in its state and/or the Northern Territory.

The national principles formulated by the Australian Government Minister are to guide the respective Local Government Grants Commissions in the allocation of funds to local governing bodies within their own jurisdictions.

The number of national principles currently stands at seven – six applying to the allocation of general purpose grants and one applying to the allocation of local road grants. The national principles are detailed at Appendix A.

# Organisation and people

## Membership

The *Local Government Grants Commission Act 1986* provides for a Commission of four members, consisting of:

- a Chairman appointed by the Minister;
- the Chief Executive (CE) of the agency primarily responsible to the Minister for the administration of the Act, or their delegate, and
- two members appointed by the Minister, one representing the interests of municipal councils and the other representing the interests of regional councils.

In 2016-17, the members of the Commission were:

### Mr Bob Beadman

Chairman – appointed  
1 November 2002 to 31 October 2016

### Dr David Ritchie

Chairman – appointed  
21 December 2016 to 20 December 2020

### Mr David Willing

CE's delegate – appointed  
1 July 2014 to 20 November 2016

### Mr Shaun Hardy

CE's delegate – appointed  
21 November 2016 to 15 May 2017

### Mr David Alexander

CE's delegate – appointed 16 May 2017

### Mr Damien Ryan

Representing municipal councils – appointed  
1 September 2011 to 31 August 2017

### Mr Steven Hennessy

Representing regional councils – appointed  
11 May 2010 to 31 August 2019

### Ms Kylie Bonanni

Deputy for Mr Ryan from  
27 March 2014 until 31 August 2017

### Mr Ralph Blyth

Deputy for Mr Hennessy from  
27 March 2014 until 31 August 2016

### Ms Narelle Bremner

Deputy for Mr Hennessy from  
25 October 2016 until 31 August 2019

### Ms Meeta Ramkumar

Deputy for Mr David Alexander –  
appointed 16 May 2016

In 2016-17, the Accountable Officer of the Commission was:

### Mr Peter Thornton

Accountable Officer – appointed  
28 July 2009 until 30 April 2017

### Ms Donna Hadfield

Accountable Officer – acted from  
01 May 2017 – appointed 20 July 2017

## Members' Profiles

### Bob Beadman

Bob was appointed Secretary to the Northern Territory Department of Lands, Housing and Local Government and CEO to the Office of Aboriginal Development on 31 October 1994. He retired from these positions on 18 December 2001.

From 1973, Bob was involved in Aboriginal affairs at senior levels in the Department of Aboriginal Affairs, and previously worked in the Top End and Central Australia on separate occasions. He acted at the Deputy Secretary level on numerous occasions.

Career highlights include working with Torres Strait Islanders – at the Prime Minister's request – on Australia's International Border with Papua New Guinea, two extended periods as Senior Private Secretary to the Minister for Aboriginal Affairs and representing Australia at the International Labour Organisation and the United Nations Working Group on Indigenous peoples.

In the Territory, his career highlights have included reform of the approach to local government, public housing policy and library grants distribution methodology. Bob was previously Chairman of the Swimming Pool Fencing Review Panel and NT Coordinator General for Remote Services (May 2009 to May 2011). Bob was appointed Chairman of the Grants Commission on 1 November 2002.

From April 2015 to March 2016 he was Director, Reconstruction and Community Development following the devastating cyclones in East Arnhem in February, and again in March, 2015.

### Dr David Ritchie

David has worked in professional and executive roles in the public and not for profit sectors in the Northern Territory since 1981. For more than 20 years he held the position of chief executive. This role included:

- Department of Lands and Planning and Northern Territory Land Development Corporation (2009 - 2012)
- Department of Housing, Local Government and Sport (2008 - 2009)
- Department of Natural Resources, Environment and the Arts (2005 - 2008)
- Aboriginal Areas Protection Authority (1990 - 2003)

Other executive roles include Director of Parks and Wildlife and Department of Infrastructure, Planning and Environment Natural Resource Management Division Executive Director (2003 - 2005).

David also worked in professional roles as an anthropologist in statutory bodies responsible for administering the Northern Territory's Indigenous cultural heritage and land rights laws including the Northern Land Council, Museum and Art Gallery of the Northern Territory and the Aboriginal Sacred Sites Authority.

His present positions include Director Ninti One Limited, board member Northern Territory Land Corporation, member of the Scientific Inquiry into Hydraulic Fracturing in the Northern Territory and Chair of the Northern Territory Planning Commission.

### David Willing

David moved to the Northern Territory in 2000 following a twelve year career in the Australian Defence Force. He worked for the Commonwealth Government in executive roles in Alice Springs for seven years before moving to Nhulunbuy and the Northern Territory Government.

During the 2008 local government reforms and establishment of shire councils, David was the shire manager for both the then East and West Arnhem Shire Councils. He also led the operationalisation of the Strategic Indigenous Housing and Infrastructure Program across the Arnhem region.

David moved to Darwin in 2010, initially as the Executive Director Darwin Region for the Department of Housing, Local Government and Regional Services; then transferred to the Department of the Chief Minister as the Executive Director Security and Government Services.

David returned to Local Government as the Executive Director in July 2014 and was appointed to the Grants Commission shortly thereafter. He is also Chairman of the Jabiru Town Development Authority and of the NT Natural Disaster Resilience Program.

David's studies include asian studies and linguistics; he is an accredited interpreter in Indonesian, is a member of the Australian Institute of Company Directors; holds a Graduate Certificate in Management and a Master's Degree in Public Sector Leadership.

David returned to the Department of the Chief Minister in October 2016 and resigned from the Grants Commission at that time.

### Shaun Hardy

Shaun Hardy's career has spanned 30 years across the Australian Public Service, Australian Parliamentary Service and the Northern Territory Public Sector. Having left the Northern Territory Public Sector in June 2017, Shaun is currently the Chief Executive Officer of the West Daly Regional Council. Prior to that he was the Acting Executive Director of the Local Government Division in the Department of Housing and Community Development, and was formerly the Director of Regions and Operations including overseeing the introduction of Local Authorities in remote communities and the establishing Official Manager of the West Daly Regional Council.

Shaun was the Executive Director of Corporate Services in the Department of the Chief Minister for 5 years and the Director of Governance and Business Management in the Department of Parliamentary Services in Canberra for 5 years. He held a range of positions in the Australian Bureau of Statistics in both Darwin and Canberra offices over a 15 year period, predominantly roles across the Population Census Program. Shaun holds a Master of Public Administration and Graduate Diploma in Human Resource Management from the University of Canberra. He is a Director on the AFL Northern Territory Board and a past President of the St Marys' Football Club.

### David Alexander

Spanning 20 years, David Alexander's career with the Northern Territory Public Service commenced in 1996 as an advanced graduate within the Department of Lands and Housing. He now holds a senior position within the Department of Housing and Community Development where he is responsible for leading the Aboriginal Interpreter Service; the Interpreting and Translating Service of the NT; the Homelands Unit; Remote Engagement and Coordination; and Community Development.

During his public service career David has held senior positions including Chief Finance Officer, Director Indigenous Housing, and Director Local Government and Outstations.

David has a Bachelor of Science, Bachelor of Business and Masters of Social Science. He is a Secretary of the Institute for Public Administration Australia (NT branch) and Chair of the Aboriginal Areas Protection Authority's Audit Committee.

### Damien Ryan

Damien was born in Alice Springs. He commenced his business career in 1972, working in the retail photographic industry. He gained invaluable knowledge of the tourism industry as licensee of Mount Ebenezer and Dunmarra roadhouses. His experiences include directorships of the following companies in the Northern Territory: Alice Springs Camera Shop Pty Ltd, Dajon Agencies Pty Ltd, Mt. Ebenezer Investments Pty Ltd and Dunmarra Roadhouse.

Damien is a lateral thinker, and enjoys applying his analytical and problem solving skills to achieve successful outcomes to a wide variety of situations.

Damien is the Mayor of Alice Springs.

He holds the current positions of President of the Local Government Association Northern Territory (LGANT) and Vice President of the Australian Local Government Association (ALGA). He is involved in many organisations that work toward the sustainable development and advancement of Alice Springs and the Northern Territory. These include the Deputy Chair, Outback Highway Development Council, Chair, Alice Springs Alcohol Reference Group and Vice President, Finke Desert Race.

Damien and his wife Joanne have three daughters who live in Alice Springs.

### Steven Hennessy

Steven was born in South Australia and spent his youth in the Riverland before moving to Adelaide. He had a career in event support management for Spotless Catering across southeast Australia from the early 1980s until 1995, when he was injured in a car accident. After being a regular visitor to the Territory since 1998, he became a permanent resident of Timber Creek, 300kms south-west of Katherine, in 2005.

Steven became a councillor for the Victoria Daly Shire Council in October 2008, Deputy Mayor from October 2011 until October 2013, Acting Mayor up until July 2014 after which time he became the Mayor.

He is also a delegate of the Local Government Association of the Northern Territory.

Steve is also involved in a number of local government related organisations, including the NT Heritage Council, the National Local Government Drug and Alcohol Advisory Council, the NT Water Safety Advisory Committee. He also has his own general maintenance small business.

### Kylie Bonanni

Kylie Bonanni moved to Alice Springs from Ballarat, Victoria in 1988 when her father became the gold room manager at Granites Mine. She has worked in the building industry alongside her husband in the family business and has been involved in many aspects of Alice Springs community life, particularly as her three children were growing up.

She is the ambassador coordinator for the Masters Games and is also on the Masters Games Steering Committee as well as a Board member for Tourism NT. Kylie is Deputy Chair of the council's Development Committee.

Kylie would like to see more growth and business opportunities in Alice Springs. She is also focused on senior citizens and ensuring they continue to be looked after and is a strong believer in looking at the positives in our community.

Councillor Bonanni was a member of the Alice Springs Town Council from November 2013 and resigned whilst Deputy Mayor on 23 July 2015.

### **Ralph Blyth**

Ralph Blyth has been involved in local government for over 15 years and was the appointed President/ Mayor when the West Arnhem Shire Council was formed in 2008. He held this position for the four year term and was then re-elected as a councillor in 2012.

Ralph has over ten years' experience representing the former Jabiru Town Council that was the local governing body for the town of Jabiru prior to the formation of the West Arnhem Regional Council. He was also a member of both the West Arnhem Transitional Committee and Gunbang Action Group.

Councillor Blyth has undergone extensive governance training in the areas of conflict of interest and policy development.

### **Narelle Bremner**

Narelle is a long term resident of Tennant Creek having been raised and attending school in the town. She has a bachelor of social work and has worked in the area of child trauma, sexual assault and domestic violence. Narelle has a strong commitment to community wellbeing and regional development. Having served on a number of boards including the Tennant Creek Hospital Board and the Tennant Creek Women's Refuge Board. Narelle is currently an elected Councillor for the Barkly Regional Council.

## **Administration and Staffing**

The costs of operation of the Commission for the year were met by funds appropriated to the Department of Housing and Community Development. The operational expenditure for 2016-17 was \$245 296.34 compared to \$288 580.59 in 2015-16.

The Executive Officer, Mr Peter Thornton, and Mrs Donna Hadfield of the Department of Housing and Community Development coordinated the visitation program and assisted with the Commission's activities through the provision of executive support.

# Summary of Activities in 2016-17

There was no National Forum of Local Government Grants Commissions in 2016 as the forums are held on a biennial basis.

The next forum will be hosted by the South Australian Grants Commission in late 2017.

## **Executive Officers' meeting**

On 16-17 November 2016 the Department of Infrastructure and Regional Development facilitated an Executive Officers' Workshop in Canberra.

Key items on the agenda included:

- Road inventories and treatment of retrospective overpayments;
- Discussion around the reintroduction of indexation, respective methodologies and current reviews;
- Amalgamations, boundary adjustments and shared services; and
- Department of Infrastructure & Regional Development – local government priorities.

## **Visits to local governing bodies**

The rolling visitation program on a regional and municipal basis continued in 2016-17 with the Commission having conducted one visit to the MacDonnell Regional Council and its respective communities. Generally the Commission's preference is to achieve three visits per year, however the inability to form a quorum, followed by the delayed appointment of the Commission's chair prevented this from occurring.

The program of Commission visits is done on a cyclical basis and takes three years to complete, although special circumstances may warrant departures from the pre-planned program. In 2017-18 the Commission intends to resume these visits after the conclusion of the Northern Territory local government elections.

## **Financial data**

The total revenue and expenditure of councils in the 2015-16 financial year amounted to \$508 million and \$477 million respectively. Included in these amounts were revenues and expenditures not considered to relate strictly to local government. Thus, for the 2017-18 allocations, the Commission determined local government income to be \$201.185 million and local government expenditure to be \$299.653 million.

The presentation of financial information via the Commission's annual return for all councils was eventually achieved mid May 2017.

The data collected in these returns is used by the Commission to allow an assessment of the income and expenditures of individual councils and to determine total income and expenditure of all local governments in the Northern Territory. The Australian Bureau of Statistics in its local government financial statistics and national accounts also uses this data.

### Annual audited financial statements

Regulation 17 of the *Local Government (Accounting) Regulations* stipulates that a copy of councils' audited annual financial statements be forwarded to the Chairman of the Northern Territory Grants Commission no later than 15 November each year. For financial year 2015-16, two councils failed to lodge their annual financial statements by the date specified. These councils are listed in Schedule 12.

### Submissions

No submissions were presented to the Commission at its visits/public hearings during the year.

### Payments 2016-17

During 2016-17, grants continued to be paid in quarterly installments in addition there was an early payment brought forward in June 2017. The total payments to local governing bodies during the year are summarised below:

16 August 2016	\$8 151 650
16 November 2016	\$8 151 650
16 February 2017	\$8 151 650
16 May 2017	\$8 151 695
08 June 2017	\$16 836 530
<b>Total distribution of 2016-17 payments</b>	<b>\$49 443 175</b>

### Estimated entitlement 2017-18

The Commonwealth allocates the general purpose and local road grants based on an estimated population figure and an estimated CPI growth factor for the coming year as determined by the Australian Statistician. This calculation is what is known as the estimated entitlement. The amounts for 2017-18 are \$16 560 517 and \$17 046 865 respectively.

The previous decision to 'pause' CPI adjustments for three years commencing 2014-15 has been reinstated for 2017-18.

### Entitlement 2016-17

The Australian Government's estimate of the Territory's share of the national population was less than the actual population. This resulted in the entitlement for 2016-17 being under-estimated by \$15 116. The underpayments were \$9 378 (general purpose) and \$5 738 (local roads) respectively and has been added to the 2017-18 council payments based on the data used for the distribution of the estimated entitlement for 2016-17.

### Cash entitlement 2017-18

The cash entitlement for 2017-18 is the estimated entitlement for the year plus the underpayment for general purpose and roads in 2016-17.

### Communication with councils

In accordance with its policy to keep all Northern Territory councils informed about its operations and latest developments, the Commission corresponds on a regular basis with individual councils on many issues. The following list summarises the main items sent to all councils during the year.

Subject	Date
Letter advising the estimated entitlements for the 2016-17 general purpose and local road grants	10 August 2016
Letter (electronically) advising the requirement to lodge an annual return	27 October 2016
Distribution of the Commission's Annual Report	08 December 2016
Letter (electronically) advising the requirement to lodge an annual road return	25 January 2017
Letters advising of the brought forward payment of the 2017-18 general purpose and roads grants	02 June 2017

### Council letters of advice

Letters of advice in 2016-17 provided the following comprehensive information to councils:

- i. A sheet detailing the council's grant allocations and payment schedule for 2016-17;
- ii. A sheet showing the calculation of standardised expenditure and standardised revenue for the council;
- iii. A matrix showing the application of the three cost adjusters against the various expenditure categories;
- iv. A bar chart showing the cost adjusters calculated for the council which underpin the calculation of standardised expenditures;
- v. A sheet showing the calculation of the council's identified local road entitlement for 2016-17;
- vi. A grant trend chart of the council's grants over five years; and
- vii. A sheet showing the 2016-17 grant allocations for all Northern Territory councils.

A similar package will be provided to each council for the 2017-18 year, and this process will continue into the future.

### Revenue and expenditure assessments of local governments

Revenue and expenditure assessments are included at Schedules 8 and 9. Key drivers and a matrix of how the cost adjusters are applied are also included at Appendix B.

# Recommendations

## Chairman's Letter

The Hon Gerry McCarthy MLA  
Minister for Housing and Community Development  
GPO Box 3146  
DARWIN NT 0801

Dear Minister

I have recently received advice on the amounts available for allocation as financial assistance grants under the Commonwealth's *Local Government (Financial Assistance) Act 1995* for the 2017-18 financial year.

In accordance with this advice and section 12(1)(a) of the *Local Government Grants Commission Act*, I am now pleased to present to you the Commission's recommendation schedule for the distribution of these grants. In making the recommendations, I confirm that:

- (a) all general purpose recommendations conform with section 6(2)(b) of the Commonwealth's *Local Government (Financial Assistance) Act 1995* in allocating amounts that are not less than those to which local governing bodies would be eligible to receive if 30% of the total to which the Northern Territory is entitled was distributed among local governing bodies on a per capita basis;
- (b) the Commission held public hearings and permitted local governing bodies and the Local Government Association of the Northern Territory to make submissions in connection with the recommendations in accordance with section 11(2)(c)(i) & (ii) of the *Local Government (Financial Assistance) Act 1995*;
- (c) road funds were divided on weighted road length but, in addition, continued to include a base or minimum figure of \$10 000 for all councils on the basis that a derived figure of less than this amount would not be commensurate with a realistic acceptance of road maintenance and responsibility; and
- (d) the allocations comply with section 12(1)(a) of the *Local Government Grants Commission Act* in that the total amount of all money recommended to be allocated is equal to the amount of money provided to the Northern Territory under the *Local Government (Financial Assistance) Act 1995* for the 2017-18 financial year.

The attached recommendation schedule outlines the proposed grant allocations for approval by Senator the Hon Fiona Nash MP. The recommendation schedule comprises the "estimated entitlement" for 2017-18 minus the advance "stimulus" payment already made in 2016-17, the net cash adjustment for 2016-17 and the proposed grant recommendations.

### Estimated Entitlement

The Commonwealth allocates the general purpose and local road grants based on an estimated population figure and an estimated CPI growth factor for the coming year as determined by the Australian Statistician. This calculation is what is known as the estimated entitlement. The amounts for this year are \$16 560 517 and \$17 046 865 respectively.

The previous decision to 'pause' CPI adjustments for three years commencing 2014-15 has been reinstated for 2017-18.

### Cash Adjustment

The Commonwealth has advised that there is a total underpayment of \$15 116 in relation to the 2016-17 grants. The underpayments were \$9 378 (general purpose) and \$5 738 (local roads) respectively. Underpayments (or sometimes overpayments) occur when the growth factors used in determining the "estimated entitlement" are less than or greater than the actual growth factors.

### General Comments

Due to the late appointment of new members in 2016-17 the Commission only achieved one main council visit and its constituent service delivery areas for the year. In 2017-18 the Commission intends to resume these visits after the conclusion of the Northern Territory local government elections. The visits allow elected members and the wider community to gain a better understanding of the role of the Commission and the way in which funding is allocated. They also ensure the Commission gains on-the-ground experience of regional contexts affecting local government service delivery.

### Advice to Councils

In relation to the grant advice to councils, the Commission will continue to enclose supporting documentation with my letter of advice that will allow them to have a greater appreciation on exactly how the Commission has calculated their grants.

The Commission's Annual Report is currently being prepared and will be forwarded to you in accordance with section 16 of the *Local Government Grants Commission Act* in due course.

Yours sincerely



**Dr David Ritchie**

Chairman

17 July 2017

## Recommendation Schedule 2017-18

Council	Estimated Entitlement Including Bring Forward		Bring forward (Paid 19 June 2017)		Estimated Entitlement (Est. Entitlement less Bring Forward)				Add Adjustment 2016-17		Cash Payment		Total Cash Financial Assistance 2017-18 \$
	General Purpose 2017-18 \$	Roads 2017-18 \$	General Purpose 2017-18 \$	Roads 2017-18 \$	General Purpose 2017-18 \$	Roads 2017-18 \$	General Purpose 2016/17 \$	Roads 2016/17 \$	General Purpose 2016/17 \$	Roads 2016/17 \$	General Purpose 2017-18 \$	Roads 2017-18 \$	
City of Darwin	1 739 274	1 827 228	870 841	906 098	868 433	921 130	982	610	869 415	921 740			<b>1 791 155</b>
Tiwi Islands Regional Council	443 402	958 141	221 469	485 444	221 933	472 697	250	327	222 183	473 024			<b>695 207</b>
City of Palmerston	732 949	881 955	363 958	412 240	368 991	469 715	410	278	369 401	469 993			<b>839 394</b>
Litchfield Council	497 606	2 529 063	248 026	1 271 332	249 580	1 257 731	280	856	249 860	1 258 587			<b>1 508 447</b>
Belyuen Community Government Council	27 332	32 367	13 185	16 398	14 147	15 969	15	11	14 162	15 980			<b>30 142</b>
Coomalie Community Government Council	26 898	443 216	13 607	208 280	13 291	234 936	15	140	13 306	235 076			<b>248 382</b>
Wagait Shire Council	8 903	54 217	4 480	27 469	4 423	26 748	5	18	4 428	26 766			<b>31 194</b>
West Arnhem Regional Council	1 255 932	1 167 722	615 833	591 628	640 099	576 094	694	398	640 793	576 492			<b>1 217 285</b>
East Arnhem Regional Council	3 074 191	1 217 393	1 584 012	605 368	1 490 179	612 025	1 786	408	1 491 965	612 433			<b>2 104 398</b>
Victoria Daly Regional Council	514 894	692 873	252 834	351 045	262 060	341 828	285	236	262 345	342 064			<b>604 409</b>
West Daly Regional Council	545 218	859 487	274 925	433 432	270 293	426 055	310	292	270 603	426 347			<b>696 950</b>
Katherine Town Council	614 444	620 275	284 302	314 264	330 142	306 011	321	212	330 463	306 223			<b>636 686</b>
Roper Gulf Regional Council	1 853 044	1 047 968	937 370	530 955	915 674	517 013	1 057	358	916 731	517 371			<b>1 434 102</b>
Barkly Regional Council	1 806 978	444 253	888 000	225 081	918 978	219 172	1 001	152	919 979	219 324			<b>1 139 303</b>
Alice Springs Town Council	716 656	932 653	363 256	472 530	353 400	460 123	410	318	353 810	460 441			<b>814 251</b>
Central Desert Regional Council	944 128	838 888	486 441	425 024	457 687	413 864	549	286	458 236	414 150			<b>872 386</b>
MacDonnell Regional Council	1 758 668	979 861	893 441	495 806	865 227	484 055	1 008	334	866 235	484 389			<b>1 350 624</b>
Local Government Association of the Northern Territory	n/a	1 519 305	n/a	748 156	n/a	771 149	n/a	504	n/a	771 653			<b>771 653</b>
<b>Total</b>	<b>\$16 560 517</b>	<b>\$17 046 865</b>	<b>\$8 315 980</b>	<b>\$8 520 550</b>	<b>\$8 244 537</b>	<b>\$8 526 315</b>	<b>\$9 378</b>	<b>\$5 738</b>	<b>\$8 253 915</b>	<b>\$8 532 053</b>			<b>\$16 785 968</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items

# Schedules

## Schedule 1

### Population used for the 2017-18 allocations

Council	Population
City of Darwin	83 465
Tiwi Islands Regional Council	3 093
City of Palmerston	35 173
Litchfield Council	23 879
Belyuen Community Government Council	208
Coomalie Community Government Council	1 291
Wagait Shire Council	427
West Arnhem Regional Council	7 431
East Arnhem Regional Council	10 693
Victoria Daly Regional Council	3 274
West Daly Regional Council	3 773
Katherine Town Council	11 028
Roper Gulf Regional Council	7 409
Barkly Regional Council	8 159
Alice Springs Town Council	27 913
Central Desert Regional Council	4 296
MacDonnell Regional Council	6 897
<b>Total</b>	<b>238 409</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 2

### Cost adjustors and key drivers 2017-18

Council	Location	Dispersion	Indigenous background
City of Darwin	1.00	1.03	1.08
Tiwi Islands Regional Council	1.12	1.42	1.88
City of Palmerston	1.00	1.03	1.11
Litchfield Council	1.00	1.13	1.07
Belyuen Community Government Council	1.00	1.03	1.95
Coomalie Community Government Council	1.00	1.29	1.21
Wagait Shire Council	1.00	1.03	1.04
West Arnhem Regional Council	1.09	1.55	1.75
East Arnhem Regional Council	1.27	2.00	1.91
Victoria Daly Regional Council	1.07	1.55	1.77
West Daly Regional Council	1.09	1.29	1.91
Katherine Town Council	1.03	1.03	1.26
Roper Gulf Regional Council	1.12	2.00	1.82
Barkly Regional Council	1.14	1.68	1.69
Alice Springs Town Council	1.12	1.03	1.19
Central Desert Regional Council	1.11	2.00	1.80
MacDonnell Regional Council	1.15	2.00	1.85

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 3

### Road lengths 2017-18

Council	Sealed	Gravel	Formed	Unformed	Cycle paths	Total road lengths (km)	Council area (sq.km)
City of Darwin	452,000	0.130	0.000	0.000	73,090	525,220	141.75
Tiwi Islands Regional Council	38,079	221,289	294,265	291,659	0.000	845,292	7 500.84
City of Palmerston	206,870	0.000	0.000	0.000	65,860	272,730	56.40
Litchfield Council	614,090	102,270	3,380	2,900	7,110	729,750	3 072.37
Belyuen Community Government Council	2,350	0.000	14,000	67,700	0.000	84,050	41.60
Coomalie Community Government Council	72,366	91,464	8,120	0.000	2,960	174,910	1 512.14
Wagait Shire Council	12,735	0.000	0.000	0.000	4,000	16,735	5.68
West Arnhem Regional Council	58,532	316,305	209,916	636,913	10,230	1 231,896	49 698.26
East Arnhem Regional Council	68,590	329,920	66,630	506,250	1,900	973,290	33 302.42
Victoria Daly Regional Council	73,705	190,698	36,284	31,690	2,900	335,277	153 474.55
West Daly Regional Council	28,796	270,156	194,210	203,750	0.000	696,912	14 100.45
Katherine Town Council	150,400	0.800	0.000	18,870	16,600	186,670	7 421.00
Roper Gulf Regional Council	79,473	264,490	120,120	475,851	0.000	939,934	185 175.81
Barkly Regional Council	62,288	9,950	67,790	408,939	6,950	555,917	322 693.27
Alice Springs Town Council	201,750	15,430	2,370	0.000	25,710	245,260	327.43
Central Desert Regional Council	38,775	16,310	398,150	1 316,105	0.000	1 769,340	282 089.76
MacDonnell Regional Council	51,082	151,003	248,546	1 111,827	0.000	1 562,458	268 784.20
Local Government Association of the NT	10,560	402,000	467,000	1 243,000	0.000	2 122,560	N/A
<b>Total</b>	<b>2 222,441</b>	<b>2 382,215</b>	<b>2 130,781</b>	<b>6 315,454</b>	<b>217,310</b>	<b>13 268,201</b>	<b>1 329 397.93</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 4

### Reconciliation of local government income and expenditure

Reconciliation of actual revenue and expenditure as supplied by local governing bodies 2015-16

<b>Actual revenue 2015-16</b>	<b>\$</b>
Rates and annual charges	165 572 658
Fines and penalties	3 187 412
Grants and subsidies	218 909 441
Fuel rebate	281 971
User fees and charges	29 055 048
Interest income	8 550 953
Loss on sale of assets	516 718
Other current revenue (n.e.c)	58 915 363
Other capital revenue	3 085 061
Assets acquired without cost or below fair value	20 249 090
<b>Total actual revenue 2015-16</b>	<b>\$508 323 715</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

<b>Actual expenditure 2015-16</b>	<b>\$</b>
Employee expenses	184 614 430
Materials and contracts	129 187 601
Depreciation	85 059 340
Bad debts	1 402 686
Current transfers expenses	1 350 621
Interest	500 788
Other expenses	75 262 682
<b>Total actual expenditure 2015-16</b>	<b>\$477 378 148</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

<b>Identified local government revenue</b>	<b>\$</b>
General rates-municipal levied	111 352 189
Domestic waste	26 643 922
Garbage other	15 467 486
Regional council rates	16 609 624
Parking	1 029 239
Interest	8 550 953
<b>Total identified local government revenue</b>	<b>\$179 653 413</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

<b>Identified local government expenditure</b>	<b>\$</b>
General public service	109 259 669
Public order and safety	17 622 853
Economic affairs	31 972 672
Environment protection	25 285 170
Housing and community amenities	45 429 386
Health	3 970 759
Recreation, culture and religion	44 053 502
Education	3 030 408
Social protection	19 029 093
<b>Total identified local government expenditure</b>	<b>\$299 653 512</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

<b>Balanced budget approach used for the 2017-18 allocations</b>	<b>\$</b>
Identified local government revenue	179 653 413
50% Roads to Recovery grants 2016-17	2 558 632
Library grants 2016-17	3 942 500
Road grants 2016-17	15 030 737
Budget term	98 468 230
<b>Total revenue</b>	<b>\$299 653 512</b>
Identified local government expenditure	\$299 653 512
<b>Total expenditure</b>	<b>\$299 653 512</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 5

### Actual local government income 2015-16

Council	Municipal rates (levied) \$	Domestic waste \$	Garbage other \$	Regional council rates (levied) \$	Interest \$	Parking restricted \$	Total \$
City of Darwin	59 277 786	6 341 780	12 432 770	0	2 345 818	1 029 239	81 427 393
Tiwi Islands Regional Council	0	416 378	0	858 169	28 565	0	1 303 112
City of Palmerston	19 354 726	5 997 642	0	0	1 154 651	0	26 507 019
Litchfield Council	6 183 130	2 550 201	405 716	0	780 369	0	9 919 416
Belyuen Community Government Council	0	43 199	0	37 786	60	0	81 045
Coomalie Community Government Council	0	342 630	0	879 592	31 336	0	1 253 558
Wagait Shire Council	0	0	0	217 280	11 310	0	228 590
West Arnhem Regional Council	0	891 883	0	4 375 310	374 445	0	5 641 638
East Arnhem Regional Council	0	1 742 695	0	2 722 219	709 800	0	5 174 714
Victoria Daly Regional Council	0	385 332	0	471 352	96 111	0	952 795
West Daly Regional Council	0	375 397	0	601 434	84 932	0	1 061 763
Katherine Town Council	5 641 120	934 342	0	0	428 975	0	7 004 437
Roper Gulf Regional Council	0	561 720	0	828 887	284 624	0	1 675 231
Barkly Regional Council	0	841 000	0	2 580 786	62 000	0	3 483 786
Alice Springs Town Council	20 895 427	3 508 000	2 629 000	0	1 338 000	0	28 370 427
Central Desert Regional Council	0	886 349	0	1 344 786	358 860	0	2 589 995
MacDonnell Regional Council	0	825 374	0	1 692 023	461 097	0	2 978 494
<b>Total</b>	<b>\$111 352 189</b>	<b>\$26 643 922</b>	<b>\$15 467 486</b>	<b>\$16 609 624</b>	<b>\$8 550 953</b>	<b>\$1 029 239</b>	<b>\$179 653 413</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 6

## Actual council expenditure by function 2015-16

Council	Economic affairs \$	Education \$	Environmental protection \$	General public services \$	Health \$	Housing and community amenities \$	Public order and safety \$	Recreation, culture and religion \$	Social protection \$	Total \$
City of Darwin	10 362 395	1 871 239	546 304	35 259 311	98 612	24 175 789	4 703 484	24 076 353	0	101 093 487
Tiwi Islands Regional Council	1 024 943	225 517	4 836	9 429 397	1 640	828 162	660 425	505 008	754 178	13 434 106
City of Palmerston	8 975 189	0	15 636 986	8 306 122	0	599 968	776 762	8 828 328	105 330	43 228 685
Litchfield Council	22 022 060	10 000	2 443 048	3 122 320	0	56 147	327 793	1 890 814	0	29 872 182
Belyuen Community Government Council	899 290	0	0	529 451	0	469 535	0	83 238	295 652	2 277 166
Coomalie Community Government Council	863 810	0	264 330	748 410	0	56 334	20 032	552 289	0	2 505 205
Wagait Shire Council	293 334	0	74 604	476 146	0	0	0	0	0	844 084
West Arnhem Regional Council	6 851 895	2 318	848 200	9 734 855	208 155	5 469 713	1 206 345	3 330 000	1 741 472	29 392 953
East Arnhem Regional Council	4 380 495	0	1 563 489	15 442 708	0	4 766 193	3 016 896	3 088 125	4 936 301	37 194 207
Victoria Daly Regional Council	5 654 648	0	0	11 554 712	1 134 986	1 392 212	0	1 040 810	1 908 649	22 686 017
West Daly Regional Council	1 255 209	57 007	876 617	8 096 248	1 858 235	1 268 815	1 232 447	708 027	0	15 352 605
Katherine Town Council	2 832 158	0	886 572	2 541 995	0	365 827	202 008	1 786 010	0	8 614 570
Roper Gulf Regional Council	1 895 537	1 069 363	10 618	16 110 844	13 723	7 946 127	202 789	1 577 597	9 800 491	38 627 089
Barkly Regional Council	356 000	0	89 000	15 334 000	815 000	2 182 000	1 546 000	1 759 000	1 801 000	23 882 000
Alice Springs Town Council	3 122 014	4 000	4 720 004	18 360 885	0	1 294 066	1 295 912	5 654 543	163 576	34 615 000
Central Desert Regional Council	2 125 883	0	1 080 327	9 570 949	3 565	10 668 483	3 531 957	1 233 721	3 952 721	32 167 606
MacDonnell Regional Council	15 110 216	0	29 690	17 828 965	350 346	2 488 116	1 040 169	234 645	4 509 039	41 591 186
<b>Total</b>	<b>\$88 025 076</b>	<b>\$3 239 444</b>	<b>\$29 074 625</b>	<b>\$18 ,447 318</b>	<b>\$4 484 262</b>	<b>\$64 027 487</b>	<b>\$19 763 019</b>	<b>\$56 348 508</b>	<b>\$29 968 409</b>	<b>\$477 378 148</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 7

### Assessed revenue 2015-16

Council	Domestic waste \$	Garbage other \$	Municipal rates \$	Regional and shire rates \$	Parking restricted \$	Interest \$	Total assessed revenue \$
City of Darwin	9 327 626	12 432 770	61 623 665	0	1 029 239	2 345 818	86 759 118
Tiwi Islands Regional Council	345 642	0	0	901 942	0	28 565	1 276 149
City of Palmerston	3 930 764	0	18 745 021	0	0	1 154 651	23 830 437
Litchfield Council	2 668 630	405 716	16 445 709	0	0	780 369	20 300 424
Belyuen Community Government Council	23 259	0	0	60 694	0	60	84 013
Coomalie Community Government Council	144 250	0	0	376 417	0	31 336	552 003
Wagait Shire Council	47 748	0	0	124 597	0	11 310	183 655
West Arnhem Regional Council	830 949	0	0	2 168 338	0	374 445	3 373 731
East Arnhem Regional Council	1 195 041	0	0	3 118 426	0	709 800	5 023 267
Victoria Daly Regional Council	365 881	0	0	954 757	0	96 111	1 416 750
West Daly Regional Council	421 680	0	0	1 100 364	0	84 932	1 606 976
Katherine Town Council	1 232 389	0	2 920 826	0	0	428 975	4 582 190
Roper Gulf Regional Council	828 041	0	0	2 160 751	0	284 624	3 273 416
Barkly Regional Council	911 796	0	0	2 379 306	0	62 000	3 353 102
Alice Springs Town Council	3 119 384	2 629 000	11 616 967	0	0	1 338 000	18 703 352
Central Desert Regional Council	480 052	0	0	1 252 681	0	358 860	2 091 593
MacDonnell Regional Council	770 789	0	0	2 011 351	0	461 097	3 243 237
<b>Total</b>	<b>\$26 643 922</b>	<b>\$15 467 486</b>	<b>\$111 352 189</b>	<b>\$16 609 624</b>	<b>\$1 029 239</b>	<b>\$8 550 953</b>	<b>\$179 653 413</b>

\*Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 8

### Summary standardised revenue

Council	Assessed NT average revenue \$	2016-17 Roads to Recovery \$	2016-17 Library grant \$	2016-17 Roads grant \$	Budget term \$	Total standardised revenue \$
City of Darwin	86 759 118	312 058	1 477 200	1 752 269	34 472 208	124 772 853
Tiwi Islands Regional Council	1 276 149	165 760	63 165	938 781	1 277 391	3 721 246
City of Palmerston	23 830 437	134 595	570 612	797 215	14 526 968	39 859 827
Litchfield Council	20 300 424	432 358	0	2 458 581	9 862 486	33 053 849
Belyuen Community Government Council	84 013	5 656	0	31 712	85 958	207 339
Coomalie Community Government Council	552 003	69 223	50 757	402 785	533 107	1 607 876
Wagait Shire Council	183 655	9 467	0	53 121	176 463	422 706
West Arnhem Regional Council	3 373 731	201 294	97 005	1 144 127	3 070 946	7 887 104
East Arnhem Regional Council	5 023 267	199 553	214 312	1 170 698	4 416 526	11 024 356
Victoria Daly Regional Council	1 416 750	145 448	37 787	678 873	1 352 192	3 631 049
West Daly Regional Council	1 606 976	114 261	113 360	838 198	1 558 409	4 231 204
Katherine Town Council	4 582 190	107 540	252 682	607 742	4 554 555	10 104 710
Roper Gulf Regional Council	3 273 416	136 667	163 553	1 026 793	3 060 201	7 660 631
Barkly Regional Council	3 353 102	46 265	180 473	435 276	3 369 734	7 384 851
Alice Springs Town Council	18 703 352	162 805	595 262	913 808	11 528 343	31 903 569
Central Desert Regional Council	2 091 593	146 655	87 981	821 938	1 774 132	4 922 298
MacDonnell Regional Council	3 243 237	169 027	38 351	958 820	2 848 611	7 258 046
<b>Total</b>	<b>\$179 653 413</b>	<b>\$2 558 632</b>	<b>\$3 942 500</b>	<b>\$15 030 737</b>	<b>\$98 468 230</b>	<b>\$299 653 512</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 9

## Standardised expenditure

Council	Economic affairs \$	Education \$	Environmental protection \$	General public services \$	Health \$	Housing and community amenities \$	Public order and safety \$	Recreation, culture and religion \$	Social protection \$	Total \$
City of Darwin	8 964 442	686 523	8 851 948	32 368 292	899 555	10 291 788	3 992 364	12 351 644	4 310 941	82 717 496
Tiwi Islands Regional Council	514 313	67 344	328 015	2 087 895	88 242	1 009 571	391 630	708 645	422 881	5 618 535
City of Palmerston	3 777 714	299 817	3 730 308	14 019 254	392 852	4 494 616	1 743 540	5 205 119	1 882 668	35 545 890
Litchfield Council	2 828 207	219 009	2 532 539	9 174 810	286 969	3 283 203	1 273 612	3 896 841	1 375 241	24 870 431
Belyuen Community Government Council	22 353	3 515	22 073	145 730	4 606	52 697	20 442	30 800	22 073	324 290
Coomalie Community Government Council	175 664	15 798	136 894	560 824	20 700	236 829	91 870	242 038	99 201	1 579 819
Wagait Shire Council	45 889	3 344	45 313	159 556	4 382	50 132	19 447	63 228	20 999	412 289
West Arnhem Regional Council	1 310 778	159 319	788 573	4 672 370	208 757	2 388 384	926 496	1 806 054	1 000 427	13 261 159
East Arnhem Regional Council	2 658 077	319 430	1 134 098	7 334 002	418 550	4 788 626	1 857 592	3 662 427	2 005 821	24 178 623
Victoria Daly Regional Council	567 949	69 930	347 223	2 080 839	91 630	1 048 338	406 669	782 548	439 120	5 834 246
West Daly Regional Council	556 930	76 602	400 176	2 587 866	100 372	1 148 359	445 469	767 366	481 016	6 564 157
Katherine Town Council	1 229 524	114 751	1 169 542	4 989 344	150 358	1 720 248	667 314	1 694 098	720 564	12 455 743
Roper Gulf Regional Council	1 700 618	201 312	785 814	4 842 262	263 780	3 017 898	1 170 695	2 343 194	1 264 113	15 589 686
Barkly Regional Council	1 609 589	186 179	865 297	4 951 186	243 951	2 791 040	1 082 693	2 217 770	1 169 088	15 116 794
Alice Springs Town Council	3 419 058	300 085	2 960 306	11 927 262	393 202	4 498 621	1 745 094	4 710 944	1 884 346	31 838 918
Central Desert Regional Council	982 078	115 489	455 570	2 776 421	151 326	1 731 317	671 608	1 353 154	725 200	8 962 163
MacDonnell Regional Council	1 609 489	191 961	731 481	4 581 755	251 527	2 877 717	1 116 317	2 217 632	1 205 395	14 783 273
<b>Total</b>	<b>\$31 972 672</b>	<b>\$3 030 408</b>	<b>\$25 285 170</b>	<b>\$109 259 669</b>	<b>\$3 970 759</b>	<b>\$45 429 386</b>	<b>\$17 622 853</b>	<b>\$44 053 502</b>	<b>\$19 029 093</b>	<b>\$299 653 512</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 10

### National share of financial assistance grants 2017-18

State/Territory	General Purpose (\$)	Share (%)	Local road component (\$)	Share (%)	Total (\$)	Share (%)
NSW	524 987 494	32.01	211 136 302	29.01	<b>736 123 796</b>	31.09
VIC	415 741 109	25.35	150 030 890	20.62	<b>565 771 999</b>	23.89
QLD	328 799 275	20.05	136 349 289	18.74	<b>465 148 564</b>	19.65
WA	176 085 070	10.74	111 270 457	15.29	<b>287 355 527</b>	12.14
SA	115 773 190	7.06	39 993 501	5.50	<b>155 766 691</b>	6.58
TAS	34 954 441	2.13	38 564 362	5.30	<b>73 518 803</b>	3.11
NT	16 560 517	1.01	17 046 865	2.34	<b>33 607 382</b>	1.42
ACT	27 122 046	1.65	23 334 865	3.21	<b>50 456 911</b>	2.13
<b>Total</b>	<b>\$1 640 023 142</b>	<b>100</b>	<b>\$727 726 531</b>	<b>100</b>	<b>\$2 367 749 673</b>	<b>100</b>

\* Figures have been rounded and discrepancies may occur between totals and the sums of the component items.

## Schedule 11

### Visits/Public Hearings to local governing bodies

Council	Service delivery centre	2016-17	2015-16	2014-15	2013-14
City of Darwin	Darwin				
Tiwi Islands Regional Council	Wurrumiyanga			30 Jul 14	
	Pirlangimpi			31 Jul 14	
	Milikapiti			31 Jul 14	
	Wuranku			30 Jul 14	
City of Palmerston	Palmerston				
Belyuen Community Government Council	Belyuen				
Coomalie Community Government Council	Coomalie			19 May 15	
Wagait Shire Council	Wagait/Cox Peninsula				
Litchfield Council	Litchfield				
West Arnhem Regional Council	Shire Office (Jabiru)			19 Nov 14	
	Maningrida			19 Nov 14	
	Gunbalanya			17 Nov 14	
	Minjilang			18 Nov 14	
	Waruwi			18 Nov 14	

## Schedule 11 (cont.)

### Visits/Public Hearings to local governing bodies

Council	Service delivery centre	2016-17	2015-16	2014-15	2013-14
East Arnhem Regional Council	Shire Office (Nhulunbuy)				
	Galiwin'ku				
	Gapuwiyak				
	Gunyangara (Marngarr)				
	Milyakburra				
	Milingimbi				
	Ramingining				
	Yirrkala				
	Umbakumba				
	Angurugu				
Victoria Daly Regional Council	Shire Office (Katherine)		07 Oct 15		
	Daly River		06 Oct 15		
	Palumpa				
	Peppimenarti				
	Wadeye				
	Daguragu/Kalkarindji		09 Oct 15		
	Timber Creek		08 Oct 15		
	Yarralin		08 Oct 15		
	Pine Creek		07 Oct 15		
West Daly Regional Council	Palumpa		05 Oct 15		
	Peppimenarti		06 Oct 15		
	Wadeye		05 Oct 15		
Katherine Town Council	Katherine				
	Binjari				
Roper Gulf Regional Council	Shire Office (Katherine)		06 May 16		10 Oct 13
	Borrooloola		05 May 16		09 Oct 13
	Numbulwar		05 May 16		09 Oct 13
	Barunga		04 May 16		07 Oct 13
	Wugularr (Beswick)		04 May 16		07 Oct 13
	Bulman		06 May 16		
	Manyallaluk (Eva Valley)		04 May 16		07 Oct 13
	Ngukurr		05 May 16		09 Oct 13
	Mataranka		03 May 16		08 Oct 13
	Jilkminggan		03 May 16		08 Oct 13

## Schedule 11 (cont.)

### Visits/Public Hearings to local governing bodies

Council	Service delivery centre	2016-17	2015-16	2014-15	2013-14
Barkly Regional Council	Shire Office (Tennant Creek)				22 May 14
	Elliott				22 May 14
	Ampilatwatja				21 May 14
	Ali Curung				23 May 14
	Alpurrurulam				20 May 14
	Arlparra (Utopia)				21 May 14
Alice Springs Town Council	Alice Springs				19 May 14
Central Desert Regional Council	Shire Office (Alice Springs)			25 Mar 15	
	Nyripi			26 Mar 15	
	Lajamanu			25 Mar 15	
	Yuendumu			27 Mar 15	
	Willowra			24 Mar 15	
	Ti-Tree			24 Mar 15	
	Laramba			26 Mar 15	
	Engawala			23 Mar 15	
	Atitjere (Harts Range)			23 Mar 15	
	Yuelamu			27 Mar 15	
MacDonnell Regional Council	Shire Office (Alice Springs)	22 Jul 16			
	Areyonga				
	Haasts Bluff				
	Imanpa				
	Docker River	19 Jul 16			
	Hermannsburg (Ntaria)	21 Jul 16			
	Papunya	20 Jul 16			
	Kintore	19 Jul 16			
	Wallace Rockhole	21 Jul 16			
	Amoonguna	22 Jul 16			
	Finke	18 Jul 16			
	Santa Teresa	18 Jul 16			
	Titjikala	22 Jul 16			
	Mount Liebig	20 Jul 16			

## Schedule 12

### Local governing bodies that failed to lodge 2015-16 annual financial statements by the date specified

Belyuen Community Government Council
Tiwi Islands Regional Council

# Appendices

## Appendix A

### National principles for the allocation of general purpose and local road grants

- A.** The national principles relating to the allocation of general purpose grants payable under section 6 of the *Local Government (Financial Assistance) Act 1995* (the Act) among local governing bodies are as follows:

#### 1. Horizontal equalisation

General purpose grants will be allocated to all local governing bodies as far as practicable on a full horizontal equalisation basis as defined by the Act. This is a basis that ensures that each local governing body in the state/territory is able to function by reasonable effort at a standard not lower than the average standard of other local governing bodies in the state. It takes account of differences in the expenditure required by those local governing bodies in the performance of their functions and in the capacity of those local governing bodies to raise revenue.

#### 2. Effort neutrality

An effort or policy neutral approach will be used in assessing the expenditure requirement and revenue raising capacity of each local governing body. This means as far as possible policies of individual local governing bodies in terms of expenditure and revenue effort will not affect the grant determination.

#### 3. Minimum grant

The minimum general purpose grant allocation for a local governing body in a year will not be less than the amount to which the local governing body would be eligible to receive if 30 per cent of the total amount of general purpose grants to which the state/territory is entitled under section 9 of the Act in respect of the year were allocated among local governing bodies in the state/territory on a per capita basis.

#### 4. Other grant support

Other relevant grant support provided to local governing bodies to meet any of the expenditure needs assessed should be taken into account using an inclusion approach.

#### 5. Aboriginals and Torres Strait Islanders

Financial assistance shall be allocated to councils in a way which recognises the needs of Aboriginals and Torres Strait Islanders within their boundaries.

#### 6. Council amalgamation

Where two or more local governing bodies are amalgamated into a single body the general purpose grant provided to the new body for each of the four years following amalgamation should be the total of the amounts that would have been provided to the former bodies in each of those years if they had remained separate entities.

- B.** The national principle relating to the allocation of the amounts payable under Section 12 of the Act (the identified road component of the financial assistance grants) among local governing bodies is as follows:

#### 1. Identified road component

The identified road component of the financial assistance grants should be allocated to local governing bodies as far as practicable on the basis of the relative needs of each local governing body for roads expenditure and to preserve its road assets. In assessing road needs relevant considerations include length type and usage of roads in each local governing area.

## Appendix B

### Methodology and formula factors

#### Introduction

The Northern Territory Grants Commission's methodology conforms to the requirement for horizontal equalisation as set out in section 6 (3) of the Australian Government *Local Government (Financial Assistance) Act 1995*.

The Commission in assessing relative need for allocating general purpose funding uses the balanced budget approach to horizontally equalise based on the formula:

**Assessed expenditure need - assessed revenue capacity = assessed equalisation requirement.**

The methodology calculates standards by applying cost adjusters and average weightings to assess each local government's revenue raising capacity and expenditure need. The assessment is the Commission's measure of each local government's ability to function at the average standard in accordance with the national principles. Details regarding the national principles are at Appendix A.

#### Population

For the 2008-09 allocations the Commission resolved to use the latest ABS estimated resident population figures and then adjust the figures to align with the population total advised to Canberra from Northern Territory Treasury. The Northern Territory's funding is based on this total population figure. The same rationale was used for the 2017-18 calculations.

### Revenue raising capacity

As the ownership of the land on which many communities are located is vested in land trusts established pursuant to the Australian Government *Aboriginal Lands Rights (Northern Territory) Act 1976* it is not for all intents and purposes feasible to use a land valuation system solely as the means for assessing revenue raising capacity.

The collection of actual accurate financial data through the Commission's annual returns enabled a number of revenue categories to be introduced including municipal and regional council rates, domestic waste and interest.

In addition to accord with the national principles other grant support to local governing bodies by way of the Roads to Recovery, library and local roads grants are recognised in the revenue component of the methodology. In the case of recipients of the Roads to Recovery grants 50 per cent of the grant was included. Recipients of library grants and local roads grants have the total amount of the grant included.

The Commission considers that given unique circumstances within the Territory this overall revenue raising capacity approach provides a reasonable indication of a council's revenue raising capacity.

For the 2017-18 allocations financial data in respect of the 2015-16 financial year was used.

### Expenditure needs

The assessment of standard expenditure is based on the Territory average per capita expenditure within the expenditure categories to which cost adjustors reflecting the assessed disadvantage of each local government are applied.

The Commission currently uses the nine expenditure categories in accordance with the Australian Bureau of Statistics Local Government Purpose Classifications. In the 2012-13 grant calculations an additional expenditure category was created (Regional Centre Recognition) to acknowledge the financial drains on municipal councils caused by urban drift. This expenditure category has been used in all subsequent grant processes with the exception of the 2016-17 calculations where the Commission quarantined a pool totaling \$200 000 and subsequently allocated \$135 000 and \$65 000 to the Alice Springs and Katherine councils respectively. This quarantined pool of \$200 000 was again used for the 2017-18 calculations with the intent the approach would be reviewed every three years.

### Cost adjustors

The Commission uses cost adjustors to reflect a local government's demographics, geographical location, its external access and the area over which it is required to provide local government services. All these influence the cost of service delivery. The cost adjustors used by the Commission for 2017-18 are shown at Schedule 2. There are three cost adjustors being: location, dispersion and Aboriginality.

### Minimum grants

For most local governments, the assessed expenditure needs exceed the assessed revenue capacity, meaning there is an assessed need. In five cases, assessed revenue capacity is greater than assessed expenditure need, meaning that there is no assessed need. However, as the legislation requires that local governments cannot get less than 30 per cent of what they would have been allocated had the funding been distributed solely on the basis of population, five local government councils still receive a grant, or what is referred to as the minimum grant.

## Formula

### 1. Revenue component

All councils:

Assessed revenue raising capacity	=	Total identified local government revenue
<b>Total local government revenue</b>	=	<b>Assessed NT average revenue + other grant support + budget term</b>

Where

Revenue category	=	Domestic waste, garbage, municipal rates, regional and shire rates, other, special rates parking, special rates other, fines and interest
Domestic waste	=	Per capita
Garbage other	=	Actual
Municipal council rates	=	Average rate
Regional and shire council rates	=	Per capita
Interest	=	Actual
State income by revenue category 2015-16	=	Actual state local government gross income
Actual state local government gross income 2015-16	=	\$179 653 413
Other grant support	=	Roads to Recovery grant 2016-17 50%, library grant 2016-17, and roads grant 2016-17
Budget term	=	Population x per capita amount
<b>Total local government revenue for 2017-18 allocations</b>	=	<b>\$299 653 512</b>

## 2. Expenditure components

Total local government expenditure of \$299 653 512 apportioned over each expenditure component.

### (a) General public services (\$109 259 669)

Community population/Northern Territory population x general public services expenditure x Aboriginality

### (b) Public order and safety (\$17 622 853)

Community population/Northern Territory population x public order and safety expenditure x (location + dispersion + Aboriginality)

### (c) Economic affairs (\$31 972 672)

Community population/Northern Territory population x economic affairs expenditure x (location + dispersion)

### (d) Environmental protection (\$25 285 170)

Community population/Northern Territory population x environmental protection expenditure

### (e) Housing and community amenities (\$45 429 386)

Community population/Northern Territory population x housing and community amenities expenditure x (location + dispersion + Aboriginality)

### (f) Health (\$3 970 759)

Community population/Northern Territory population x health expenditure x (location + dispersion + Aboriginality)

### (g) Recreation, culture and religion (\$45 429 386)

Community population/Northern Territory population x recreation culture and religion expenditure x (location + dispersion)

### (h) Education (\$3 030 408)

Community population/Northern Territory population x education expenditure x (location + dispersion + Aboriginality)

### (i) Social protection (\$19 029 093)

Community population/Northern Territory population x social protection expenditure x (location + dispersion + Aboriginality)

### 3. Local road grant funding

To determine the local road grant the Commission applies a weighting to each council by road length and surface type. These weightings are:

Road type	Weighting
Sealed	27.0
Gravel	12.0
Cycle path	10.0
Formed	7.0
Unformed	1.0

The general purpose location factor is also applied to recognise relative isolation.

#### Application of cost adjustors

Expenditure category	Population	Location	Dispersion	Aboriginality
Housing and community amenities				
Public order and safety				
Environmental protection				
General public services				
Social protection				
Education				
Health				
Recreation cultural and religion				
Economic affairs				

(Shaded areas indicate when cost adjustor applies)

## Appendix C

### The Australian Classification of Local Government (ACLG)

Step 1	Step 2	Step 3	Identifiers	Category
<b>URBAN (U)</b>	<b>Capital City (CC)</b>			UCC
Population more than 20 000	<b>Metropolitan developed (D)</b> Part of an urban centre of more than 1 000 000 or population density more than 600/sq km	Small (S) Medium (M) Large (L) Very Large (V)	Up to 30 000 30 001 – 70 000 70 001 – 120 000 more than 120 000	UDS UDM UDL UDV
<b>or</b>				
Population density more than 30 persons per sq km	<b>Regional Towns/City (R)</b> Part of an urban centre with population less than 1 000 000 and predominantly urban in nature	Small (S) Medium (M) Large (L) Very Large (V)	Up to 30 000 30 001 – 70 000 70 001 – 120 000 more than 120 000	URS URM URL URV
<b>or</b>				
90% or more of LGA population is urban	<b>Fringe (F)</b> A developing LGA on the margin of a developed or regional urban centre	Small (S) Medium (M) Large (L) Very Large (V)	Up to 30 000 30 001 – 70 000 70 001 – 120 000 more than 120 000	UFS UFM UFL UFV
<b>RURAL (R)</b>				
An LGA with population less than 20 000	<b>Significant growth (SG)</b> Average annual population growth more than 3% population more than 5 000 and not remote	Not applicable		RSG
<b>and</b>				
Population density less than 30 persons per sq km	<b>Agricultural (A)</b>	Small (S) Medium (M) Large (L) Very Large (V)	Up to 2 000 2 001 – 5 000 5 001 – 10 000 10 001 – 20 000	RAS RAM RAL RAV
<b>and</b>				
Less than 90% of LGA population is urban	<b>Remote (T)</b>	Extra Small (X) Small (S) Medium (M) Large (L)	Up to 400 401 – 1 000 1 001 – 3 000 3 001 – 20 000	RTX RTS RTM RTL

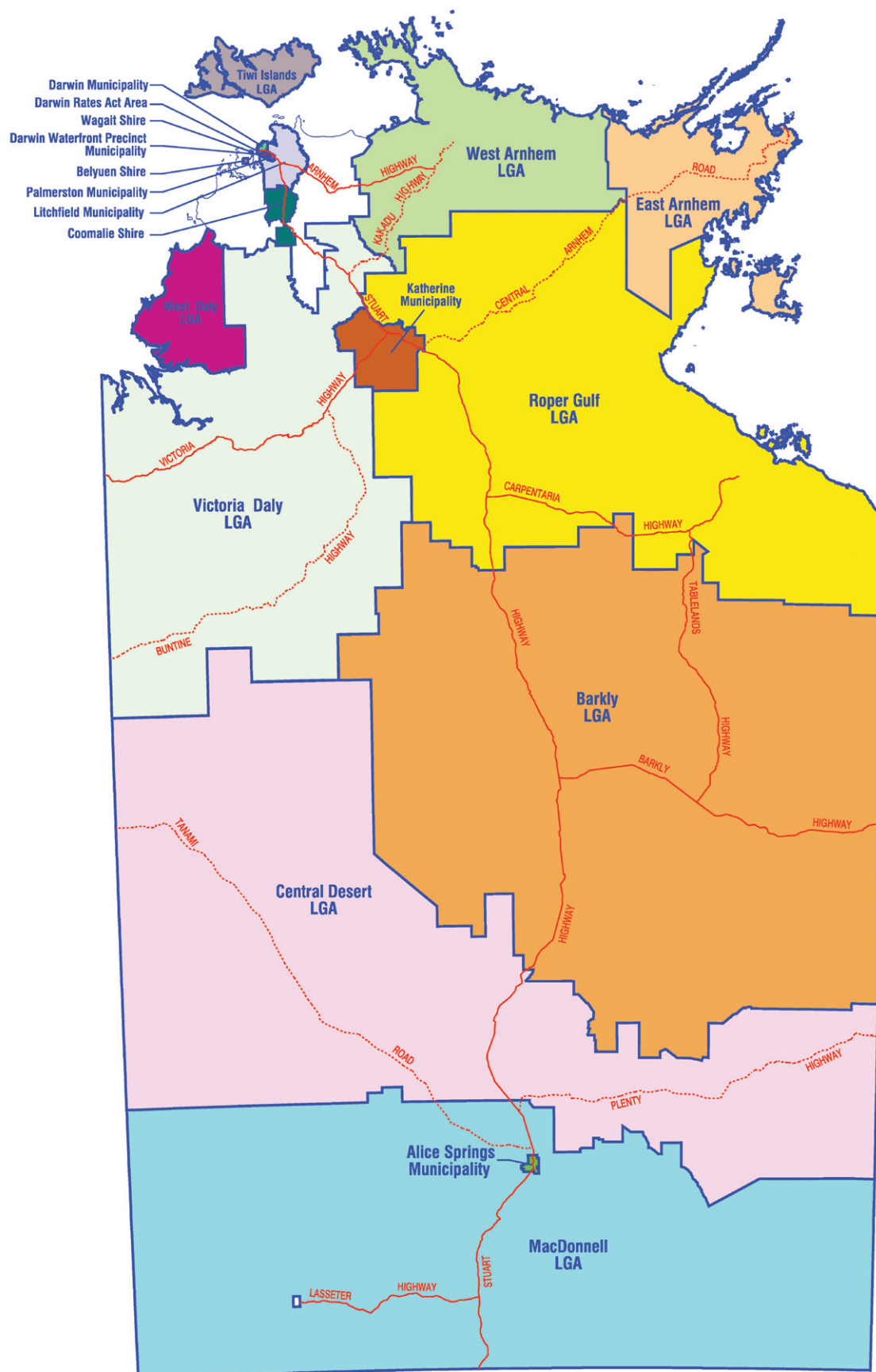
## Appendix D

### Northern Territory local governments by classification

Council	ACLG Classification
Barkly Regional Council	RTL
Belyuen Community Government Council	RTX
Central Desert Regional Council	RTL
Coomalie Community Government Council	RTM
City of Darwin	UCC
City of Palmerston	URM
East Arnhem Regional Council	RTL
Litchfield Council	UFS
MacDonnell Regional Council	RTL
Alice Springs Town Council	URS
Katherine Town Council	URS
Roper Gulf Regional Council	RTL
Tiwi Islands Regional Council	RTM
Victoria Daly Regional Council	RTL
West Daly Regional Council	RTL
Wagait Shire Council	RTS
West Arnhem Regional Council	RTL

## Appendix E

### Northern Territory map of local government areas



## Appendix F

### Independent Auditor's Report to the Minister for Housing and Community Development Northern Territory Grants Commission Year Ended 30 June 2017



#### Auditor-General

#### Independent Auditor's Report to the Minister for Housing and Community Development Northern Territory Grants Commission Year Ended 30 June 2017

Page 1 of 2

#### Opinion

I have audited the accompanying financial report, being a special purpose financial report, of the Northern Territory Grants Commission ('the Commission'), which comprises the balance sheet as at 30 June 2017, the income statement for the year then ended, other explanatory information, and the statement by the Accountable Officer.

In my opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Commission as at 30 June 2017, and of its financial performance for the year then ended in accordance with the *Local Government Grants Commission Act 1986*.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Commission in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of Matter – Basis of Accounting

Without modifying my opinion, I draw attention to the financial report having been prepared for the purpose of fulfilling the Accountable Officer's financial reporting responsibilities under the *Local Government Grants Commission Act 1986*. As a result, the financial report may not be suitable for another purpose.

#### Responsibilities of the Accountable Officer for the Financial Report

The Accountable Officer of the Northern Territory Grants Commission is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Local Government Grants Commission Act 1986* and for such internal control as the Accountable Officer determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



**Auditor-General**

**Page 2 of 2**

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Officer.
- Conclude on the appropriateness of the Accountable Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in blue ink, appearing to read 'Julie Crisp'.

Julie Crisp  
Auditor-General for the Northern Territory  
Darwin, Northern Territory  
25 September 2017

**NORTHERN TERRITORY GRANTS COMMISSION****Balance sheet as at 30 June 2017**

	2017	2016
	\$	\$
Assets	Nil	Nil
Liabilities	Nil	Nil

**Income statement for the year ended 30 June 2017**

Income	Nil	Nil
Expenditure	Nil	Nil

The accompanying notes form part of these financial statements.

**Statement by Accountable Officer**

In my opinion:

- (i) The financial report, being a special purpose financial report, is drawn up to present fairly the state of affairs of the Northern Territory Grants Commission as at 30 June 2017 and of its results for the year ended on that date in accordance with the requirements of the *Local Government Grants Commission Act 1986*; and
- (ii) The financial report has been properly prepared and is in agreement with the underlying financial records of the Northern Territory Grants Commission.

  
Donna Hadfield  
Accountable Officer

25 September 2017

## NORTHERN TERRITORY GRANTS COMMISSION

### Notes to and forming part of the financial statements for the year ended 30 June 2017.

1. The Commission has prepared the financial statements on the basis that the Northern Territory Grants Commission is not a reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Local Government Grants Commission Act 1986*.

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. The financial statements have been prepared in accordance with the historical cost convention.

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and are rounded to the nearest dollar.

2. The Commission was established under the provision of the *Local Government Grants Commission Act (Northern Territory)* which came into operation on 1 July 1986 in order to comply with the requirements of the then *Local Government (Financial Assistance) Act (Commonwealth) 1986*. The Commonwealth legislation has since been modified with the *Local Government (Financial Assistance) Act 1995* in force during the financial year ended 30 June 2017.
3. The Commission's activity is to make recommendations to the Minister for Housing and Community Development in respect of 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*.

Funds for this purpose were appropriated to the Northern Territory Department of Housing and Community Development. Allocations of general purpose grants and road grants recommended for distribution were:

	Recommendation for distribution in 2015-16	Recommendation for distribution in 2016-17	Add brought forward 2017-18 payment paid in 2016-17	Total recommendation distributed in 2016-17
General Purpose Grants	\$16 545 106	\$16 129 077	\$8 315 980	\$24 445 057
Road Grants	\$16 476 573	\$16 477 568	\$8 520 550	\$24 998 118
<b>Total</b>	<b><u>\$33 021 679</u></b>	<b><u>\$32 606 645</u></b>	<b><u>\$16 836 530</u></b>	<b><u>\$49,443,175</u></b>

4. The costs of operating the Northern Territory Grants Commission are met from funds appropriated to the Department of Housing and Community Development. Costs of operations during the financial year ended 30 June 2017 were \$245 296 (2016: \$288,581).
5. The Commission did not acquire any assets during the period covered by the financial statements.

## Appendix G

### Independent Auditor's report to the Chief Executive of the Department of Housing and Community Development on the Statement of Payments Made to Local Governing Bodies by the Northern Territory during the year 1 July 2016 to 30 June 2017



#### Auditor-General

#### Independent Auditor's Report to the Chief Executive of the Department of Housing and Community Development on the Statement of Payments Made to Local Governing Bodies by the Northern Territory during the year 1 July 2016 to 30 June 2017

Page 1 of 2

#### Opinion

I have audited the accompanying Statement of Payments Made to Local Governing Bodies by the Northern Territory Government during the year 1 July 2016 to 30 June 2017 ('the Statement').

In my opinion, the Statement presents fairly, in all material aspects, payments made by the Northern Territory Government to local governing bodies in the Northern Territory during the year 1 July 2016 to 30 June 2017 in accordance with the *Local Government (Financial Assistance) Act 1995*.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of my report. I am independent of the Department of Housing and Community Development ('the Department') in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the Statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of Matter – Basis of Accounting

Without modifying my opinion, I draw attention to the cash basis of accounting used in the attached Statement, which has prepared for the purpose of fulfilling the requirements of the *Local Government (Financial Assistance) Act 1995*. As a result, the Statement may not be suitable for another purpose.

#### The Department of Housing and Community Development's Responsibility for the Statement

The Department of Housing and Community Development is responsible for the preparation and fair presentation of the Statement in accordance with the financial reporting requirements of the *Local Government (Financial Assistance) Act 1995* and for such internal control as Chief Executive determines is necessary to enable the preparation and fair presentation of the Statement that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Audit of the Statement

My objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.



**Auditor-General**

**Page 2 of 2**

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in blue ink, appearing to read 'Julie Crisp'.

Julie Crisp  
Auditor-General for the Northern Territory  
Darwin, Northern Territory  
29 September 2017

**LOCAL GOVERNMENT (FINANCIAL ASSISTANCE) Act 1995 - SECTION 15**  
**Statement of payments made to local governing bodies by the Northern Territory**  
**during the year 1 July 2016 to 30 June 2017**  
**as required under sub-section 15(b) of the Local Government (Financial Assistance) Act 1995 (the Act)**

Total amount received from the Commonwealth during the year ended 30 June 2017 under the Act:

General Purpose Assistance      \$24,445,057.00  
 Road Funding      \$24,998,118.00  
**\$49,443,175.00**

Organisation	First Quarter			Second Quarter			Third Quarter			Fourth Quarter			2017 - 2018 Advance Payment		Total Roads Assistance	Total General Purpose Assistance	Total Financial Assistance
	Date	Amount		Date	Amount		Date	Amount		Date	Amount		Date	Amount			
CITY OF DARWIN	16/08/2016	\$860,317.00		16/11/2016	\$860,317.00		16/02/2017	\$860,317.00		16/05/2017	\$860,318.00		8/06/2017	\$1,776,939.00	\$2,658,367.00	\$2,559,841.00	\$5,218,208.00
ROPER GULF REGIONAL COUNCIL	16/08/2016	\$711,180.00		16/11/2016	\$711,180.00		16/02/2017	\$711,180.00		16/05/2017	\$711,182.00		8/06/2017	\$1,468,325.00	\$1,557,748.00	\$2,755,299.00	\$4,313,047.00
BELUEN COMMUNITY GOVERNMENT COUNCIL	16/08/2016	\$14,322.00		16/11/2016	\$14,322.00		16/02/2017	\$14,322.00		16/05/2017	\$14,324.00		8/06/2017	\$29,583.00	\$48,110.00	\$38,763.00	\$86,873.00
COOMALIE COMMUNITY GOVERNMENT COUNCIL	16/08/2016	\$107,293.00		16/11/2016	\$107,293.00		16/02/2017	\$107,293.00		16/05/2017	\$107,296.00		8/06/2017	\$221,887.00	\$611,065.00	\$39,997.00	\$651,062.00
LOCAL GOVERNMENT ASSOCIATION OF THE NORTHERN TERRITORY	16/08/2016	\$361,707.00		16/11/2016	\$361,707.00		16/02/2017	\$361,707.00		16/05/2017	\$361,710.00		8/06/2017	\$748,156.00	\$2,194,987.00	\$0.00	\$2,194,987.00
WAGAIT SHIRE COUNCIL	16/08/2016	\$15,452.00		16/11/2016	\$15,452.00		16/02/2017	\$15,452.00		16/05/2017	\$15,453.00		8/06/2017	\$31,949.00	\$80,590.00	\$13,168.00	\$93,758.00
EAST ARNHEM REGIONAL COUNCIL	16/08/2016	\$1,060,652.00		16/11/2016	\$1,060,652.00		16/02/2017	\$1,060,652.00		16/05/2017	\$1,060,655.00		8/06/2017	\$2,189,380.00	\$1,776,066.00	\$4,655,925.00	\$6,431,991.00
LITCHFIELD COUNCIL	16/08/2016	\$734,922.00		16/11/2016	\$734,922.00		16/02/2017	\$734,922.00		16/05/2017	\$734,924.00		8/06/2017	\$1,519,358.00	\$3,729,913.00	\$729,135.00	\$4,459,048.00
TIMBI REGIONAL COUNCIL	16/08/2016	\$342,094.00		16/11/2016	\$342,094.00		16/02/2017	\$342,094.00		16/05/2017	\$342,097.00		8/06/2017	\$706,913.00	\$1,424,225.00	\$651,067.00	\$2,075,292.00
ALICE SPRINGS TOWN COUNCIL	16/08/2016	\$404,580.00		16/11/2016	\$404,580.00		16/02/2017	\$404,580.00		16/05/2017	\$404,581.00		8/06/2017	\$835,786.00	\$1,386,338.00	\$1,067,769.00	\$2,454,107.00
CENTRAL DESERT REGIONAL COUNCIL	16/08/2016	\$441,338.00		16/11/2016	\$441,338.00		16/02/2017	\$441,338.00		16/05/2017	\$441,342.00		8/06/2017	\$911,465.00	\$1,246,962.00	\$1,429,859.00	\$2,676,821.00
CITY OF PALMERSTON	16/08/2016	\$375,784.00		16/11/2016	\$375,784.00		16/02/2017	\$375,784.00		16/05/2017	\$375,788.00		8/06/2017	\$776,198.00	\$1,209,455.00	\$1,069,883.00	\$2,279,338.00
VICTORIA DAILY REGIONAL COUNCIL	16/08/2016	\$292,337.00		16/11/2016	\$292,337.00		16/02/2017	\$292,337.00		16/05/2017	\$292,340.00		8/06/2017	\$603,879.00	\$1,029,918.00	\$743,312.00	\$1,773,230.00
WEST DAILY REGIONAL COUNCIL	16/08/2016	\$342,875.00		16/11/2016	\$342,875.00		16/02/2017	\$342,875.00		16/05/2017	\$342,878.00		8/06/2017	\$708,357.00	\$1,271,630.00	\$808,231.00	\$2,079,861.00
BARKLY REGIONAL COUNCIL	16/08/2016	\$539,388.00		16/11/2016	\$539,388.00		16/02/2017	\$539,388.00		16/05/2017	\$539,389.00		8/06/2017	\$1,113,081.00	\$660,357.00	\$2,610,277.00	\$3,270,634.00
KATHERINE TOWN COUNCIL	16/08/2016	\$289,880.00		16/11/2016	\$289,880.00		16/02/2017	\$289,880.00		16/05/2017	\$289,883.00		8/06/2017	\$598,566.00	\$922,006.00	\$836,083.00	\$1,758,089.00
MACDONNELL REGIONAL COUNCIL	16/08/2016	\$672,904.00		16/11/2016	\$672,904.00		16/02/2017	\$672,904.00		16/05/2017	\$672,905.00		8/06/2017	\$1,389,247.00	\$1,454,626.00	\$2,626,238.00	\$4,080,864.00
WEST ARNHEM REGIONAL COUNCIL	16/08/2016	\$584,625.00		16/11/2016	\$584,625.00		16/02/2017	\$584,625.00		16/05/2017	\$584,629.00		8/06/2017	\$1,207,481.00	\$1,735,765.00	\$1,810,210.00	\$3,545,965.00
<b>Total</b>		<b>\$8,151,650.00</b>			<b>\$8,151,650.00</b>			<b>\$8,151,650.00</b>			<b>\$8,151,650.00</b>			<b>\$16,836,530.00</b>	<b>\$24,998,118.00</b>	<b>\$24,445,057.00</b>	<b>\$49,443,175.00</b>

I certify that the amounts have been distributed according to the above schedule of payments.

*Donna Hadfield*

DONNA HADFIELD  
 Executive Officer NT Grants Commission  
 29 September 2017





The painting depicts the role of the Grants Commission as a transmitter of information, policy and funding recommendations. In the painting the members of the Grants Commission are depicted by the larger black horseshoe shapes. They are sitting facing the members of Local Government Councils, represented by the smaller black horseshoes in the north, south, east and west directions.

As can be seen the Grants Commission role is represented by two larger horseshoe shapes joined together. This representation shows the Grants Commission facing Councillors on the one hand, and the Northern Territory and Federal Governments (the centre circle with the white horseshoe shape) on the other. The smaller oblong shapes between the Commission and the Governments are provided by the artist to show the movement of the Commission visiting Councils and taking reports back to central government.

The larger oblong shapes between the Council groupings represent two areas of land. The upper ones depict native title area boundaries, and the lower ones depict Local Government area boundaries. The background is the 'country' within which all of these events take place.

Painting by Cr. Francis Kelly,  
Past Member of NT Grants Commission

Account above is based on a  
conversation with Cr. Kelly

