

The Hon. Gerry McCarthy MLA
Minister for Housing & 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 2015-16. Included in the report are the financial statements for the year ended 30 June 2016.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Beadman', with a stylized flourish at the end.

Bob Beadman
Chairman
30/09/2016

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Foreword

On behalf of my fellow Commissioners, I am pleased to present the 30th annual report of the Northern Territory Grants Commission. This report contains information on the distribution of funding, as well as detailing the objectives, performance and future directions of the Commission. My belief is that the report conveys sufficient relevant information on the Commission's programs and performance during the year to enable any interested agency, organisation or individual to assess its operations and functioning.

The following matters are discussed in greater detail in the "Summary of Activities 2015-16" section of the report:

- Executive Officers' Workshop
- National Conference
- Visits/Public hearings

Local Government National Report 2012-13

What follows is repeated from the 2014-15 Northern Territory Grants Commission Annual Report:

"In early 2015 the Australian Government Department of Infrastructure and Regional Development released the above report.

In Table 2-7 at page 27 the interested reader will find some astonishing figures. Under the category 'Rural Remote Extra Small' Western Australian councils get \$7 700.93 per capita, as compared to \$50.39 for similar sized councils in the Northern Territory (or 153 times greater).

Apparently this is possible under uniform national principles aimed at achieving horizontal fiscal equalisation."

I am not able to update these figures as at the time of writing this foreword a later report has not been issued. Readers will have already noticed the lag in the publication.

Resumption of National Conferences

National Conferences of Grants Commissions, with representatives from the Australian Government, and the Australian Local Government Association, have

been a feature of consultation and information sharing for decades. Jurisdictions took turn about to host them.

We were well advanced in planning for the 2013 Annual Conference, when the Australian Government representatives pulled out, followed by NSW, and then Queensland decided that in the absence of the Australian Government no good purpose would be served in its attendance. I said at the time *"that it would be unconscionable for the most impecunious jurisdiction to continue with plans to host a National Conference that the most pecunious States and the Commonwealth either cannot afford to attend, or believe that the cost benefit doesn't warrant the expenditure."*

Victoria, to its credit, hosted a National Conference in 2015, well attended by everybody, and it has been since decided to hold them biennially. Needless to say, I talked about the anomalous results that emerge from uniform national principles the aim of which is to achieve horizontal fiscal equalisation. Have a look again at the figures from the Australian Government's own report.

Thanks

On behalf of the 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 Local Government and Community Services, 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 David Willing, Mr Damien Ryan, Mr Steven Hennessy. Their assistance has been very much appreciated.



Bob Beadman
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 2015-16, the members of the Commission were:

Mr Bob Beadman

Chairman – appointed
1 November 2002 to 31 October 2016

Mr David Willing

CE's delegate – appointed on 1 July 2014

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 2016

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

In 2015-16, the Accountable Officer of the Commission was:

Mr Peter Thornton

Accountable Officer – appointed 28 July 2009

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.

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.

In his spare time David enjoys travel, fishing, camping and the great NT outdoors, and yes, he has bought a Jeep.

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), Chair of Central Australian Health Services (CAHS). 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, Chair, Alice Springs Masters Games Advisory, Vice President, Finke Desert Race and is Vice President of the Australian Local Government Association (ALGA).

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.

Administration and Staffing

The costs of operation of the Commission for the year were met by funds appropriated to the Department of Local Government and Community Services. The operational expenditure for 2015-16 was \$288 580.59 compared to \$304 230.49 in 2014-15.

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

Summary of Activities in 2015/16

National Forum of Local Government Grants Commissions

After a three year hiatus the Victorian Grants Commission was instrumental in reviving the previously very popular National Grants Commission Conferences. The format of the 2015 forum was reconfigured significantly with the Commission chairs speaking briefly about their respective commission activities during the year, and the focus then switching to three interactive sessions canvassing the following 'big issues'.

1. Preparing for the end of the pause;
2. Cost adjustors and disability factors – what's working, what's not; and
3. The National distribution principles.

All three issues were vigorously discussed with Mr Bob Beadman facilitating the session on the National distribution principles.

It has since been agreed that such forums will continue into the future however they will be held on a biennial basis. The next forum will be hosted by the South Australian Grants Commission in late 2017.

Executive Officers' meeting

On 29 October 2015 the Department of Infrastructure and Regional Development facilitated an Executive Officers' Workshop in Melbourne which Mr Peter Thornton attended.

The executive officers had wide-ranging discussions on the following national issues that impact significantly on all Grants Commissions:

- A recap on the key discussions that transpired during the National Forum of Local Government Grant Commissions;
- Discussion regarding the 'new' local government Minister and his priorities for the local government sector into the future; and
- Discussion around the Local Government National Report focusing more on likely future content.

There was discussion at this workshop that the South Australian Grants Commission was keen to host the next workshop in Adelaide and they would also canvass the jurisdictions as to the frequency these and the National Forum of Local Government Grant Commissioners should be held.

Visits to local governing bodies

The rolling visitation program on a regional and municipal basis continued in 2015-16 with the Commission having conducted a series of well-attended visits to three regional councils (Roper Gulf, Victoria Daly and West Daly Regional Councils) and their respective communities. 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.

Financial data

The total revenue and expenditure of councils in the 2014-15 financial year amounted to \$433 million and \$453 million respectively. Included in these amounts were revenues and expenditures not considered to relate strictly to local government. Thus, for the 2016-17 allocations, the Commission determined local government income to be \$190.882 million and local government expenditure to be \$310.659 million.

The presentation of financial information via the Commission's annual return for all councils was eventually achieved late May 2016.

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, four 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 2015-16

During 2015-16, grants continued to be paid in quarterly installments however; there was an early payment made in July 2015. The total payments to local governing bodies during the year are summarised below:

| | |
|---|---------------------|
| 06 July 2015 (early payment) | \$16 507 939 |
| 15 August 2015 | \$4 128 434 |
| 15 November 2015 | \$4 128 434 |
| 15 February 2016 | \$4 128 434 |
| 15 May 2016 | \$4 128 438 |
| Total distribution of 2015-16 payments | \$33 021 679 |

Estimated entitlement 2016-17

The estimated entitlements for 2016-17 would normally be based on Australian Government estimates of the annual CPI and the Territory's share of the national population; however the Australian Government has advised that there will be no application of CPI to the 2016-17 funding.

This Commission is forever trying to explain to remote councils why their share of funds is in decline, at a time when the other tiers of government are cost-shifting onto them.

Entitlement 2015-16

The Australian Government's estimate of the Territory's share of the national population was more than the actual population. This resulted in the entitlement for 2015-16 being over-estimated for the general purpose component amounting to an overpayment of \$32 111. There was no adjustment made to the roads component.

The overpayment of \$32 111 has been made across all councils based on the data used for the distribution of the estimated entitlement for 2015-16.

Cash entitlement 2016-17

The cash entitlement for 2016-17 is the estimated entitlement for the year less the overpayment for general purpose in 2015-16.

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 2015-16 general purpose and local road grants | 13 August 2015 |
| Letter (electronically) advising the requirement to lodge an annual return | 15 October 2015 |
| Distribution of the Commission's Annual Report | 17 December 2015 |
| Letter (electronically) advising the requirement to lodge an annual road return | 05 February 2016 |

Council letters of advice

Letters of advice in 2015-16 provided the following comprehensive information to councils:

- i. A sheet detailing the council's grant allocations and payment schedule for 2015-16;
- 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 2015-16;
- vi. A grant trend chart of the council's grants over five years; and
- vii. A sheet showing the 2015-16 grant allocations for all Northern Territory councils.

A similar package will be provided to each council for the 2016-17 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 Bess Price MLA
Minister for Local Government and Community Services
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 2016-17 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 2016-17 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 2016-17, plus the net cash adjustment for 2016-17 and the proposed grant recommendations for approval.

Estimated Entitlement

The Commonwealth usually 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. However given the Commonwealth's decision to 'pause' CPI adjustments for three years commencing 2014-15, the general purpose component of the grant has been adjusted by population only and there is no CPI adjustment to the local road component. This calculation is what is known as the estimated entitlement. The amounts for this year are \$16 161 188 and \$16 477 568 respectively.

Cash Adjustment

The Commonwealth has advised that there is a total overpayment of \$32 111 in relation to the 2015-16 general purpose funding. There is no requirement for an adjustment to the local roads funding.

General Comments

For the sixth year the Commission registers its concern about the failure of the Government to rectify the situation at Belyuen.

Belyuen council was suspended on 23 May 2007, a manager appointed and a report commissioned into the future governance arrangements for the community. Clearly the Local Government Act envisages that on receipt of the report the council would either be reinstated, or would be dismissed and fresh elections called. Nothing has happened since. No elected council has been in place since then, and nor did the government include this council in the Northern Territory-wide local government elections in March 2012.

The Commission believes that if it were to leave the Belyuen situation unremarked, there would be some who would take that as the tacit endorsement by the Commission of a situation that is arguably illegal. We continue to believe that funding a body year after year that does not have a democratically elected council in place is contrary to the intentions of the Commonwealth's *Local Government (Financial Assistance) Act 1995*, and the Northern Territory's *Local Government Act*.

The absence of an elected body at Belyuen for over eight years is even at odds with your Government's relatively recent legislative amendments to create local authorities - "returning a voice to the local level" as the media release of 3 April 2014 said.

The Commission has considered making a recommendation that Belyuen not receive financial assistance grants until an elected council is restored, but decided that would penalise a desperate community further for the failings of others.

There are three more enduring anomalies that flow from the previous government's decision not to proceed with the proposed Top End Shire Council.

The Commission wrote to your predecessor over concerns about the long term viability of tiny councils. Belyuen and Wagait remain discreet councils, with populations of 210 and 430 respectively.

In the case of the Wagait Shire Council, the Commission notes the election of a councillor with just seven votes in the March 2012 elections. Any analysis of the scope of services provided by this council will confirm the validity of the concerns of this Commission about its viability. This council sits alongside the Belyuen Shire Council.

Then there is the issue of the adjacent unincorporated areas which are still not being rated - residents who don't pay rates (eg Dundee Beach, Marrakai and the Douglas Daly Region). Some are prolific correspondents about the alleged lack of services.

Surely a simple solution to these concerns can be found in the many consultancy reports, and the related discussions, that have been ongoing for more than a decade.

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

A handwritten signature in black ink, appearing to read 'Beadman', with a stylized flourish at the end.

Bob Beadman

Chairman

25 July 2016

Financial Assistance Grants 2015-16

| Council | Estimated Entitlement | | Less Adjustment 2015-16 | | Cash Payment | | Total cash Financial Assistance 2016-17 \$ |
|--|----------------------------|---------------------|----------------------------|------------------|----------------------------|---------------------|--|
| | General Purpose 2016-17 \$ | Roads 2016-17 \$ | General Purpose 2015-16 \$ | Roads 2015-16 \$ | General Purpose 2016-17 \$ | Roads 2016-17 \$ | |
| City of Darwin | 1 692 384 | 1 752 269 | (3 384) | - | 1 689 000 | 1 752 269 | 3 441 269 |
| Tiwi Islands Regional Council | 430 400 | 938 781 | (802) | - | 429 598 | 938 781 | 1 368 379 |
| City of Palmerston | 707 313 | 797 215 | (1 388) | - | 705 925 | 797 215 | 1 503 140 |
| Litchfield Council | 482 011 | 2 458 581 | (902) | - | 481 109 | 2 458 581 | 2 939 690 |
| Belyuen Community Government Council | 25 624 | 31 712 | (46) | - | 25 578 | 31 712 | 57 290 |
| Coomalie Community Government Council | 26 443 | 402 785 | (53) | - | 26 390 | 402 785 | 429 175 |
| Wagait Shire Council | 8 706 | 53 121 | (18) | - | 8 688 | 53 121 | 61 809 |
| West Arnhem Regional Council | 1 196 804 | 1 144 127 | (2 427) | - | 1 194 377 | 1 144 127 | 2 338 504 |
| East Arnhem Regional Council | 3 078 353 | 1 170 698 | (6 440) | - | 3 071 913 | 1 170 698 | 4 242 611 |
| Victoria Daly Regional Council | 491 355 | 678 873 | (877) | - | 490 478 | 678 873 | 1 169 351 |
| West Daly Regional Council | 534 287 | 838 198 | (981) | - | 533 306 | 838 198 | 1 371 504 |
| Katherine Town Council | 552 509 | 607 742 | (728) | - | 551 781 | 607 742 | 1 159 523 |
| Roper Gulf Regional Council | 1 821 674 | 1 026 793 | (3 745) | - | 1 817 929 | 1 026 793 | 2 844 722 |
| Barkly Regional Council | 1 725 729 | 435 276 | (3 452) | - | 1 722 277 | 435 276 | 2 157 553 |
| Alice Springs Town Council | 705 947 | 913 808 | (1 434) | - | 704 513 | 913 808 | 1 618 321 |
| Central Desert Regional Council | 945 345 | 821 938 | (1 927) | - | 943 418 | 821 938 | 1 765 356 |
| MacDonnell Regional Council | 1 736 304 | 958 820 | (3 507) | - | 1 732 797 | 958 820 | 2 691 617 |
| Local Government Association of the Northern Territory | N/A | 1 446 831 | N/A | - | N/A | 1 446 831 | 1 446 831 |
| Total | \$16 161 188 | \$16 477 568 | (\$32 111) | - | \$16 129 077 | \$16 477 568 | \$32 606 645 |

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

Schedules

Schedule 1

Population used for the 2016-17 allocations

| Council | Population |
|---------------------------------------|----------------|
| City of Darwin | 82 816 |
| Tiwi Islands Regional Council | 3 098 |
| City of Palmerston | 34 612 |
| Litchfield Council | 23 587 |
| Belyuen Community Government Council | 209 |
| Coomalie Community Government Council | 1 294 |
| Wagait Shire Council | 426 |
| West Arnhem Regional Council | 7 443 |
| East Arnhem Regional Council | 10 718 |
| Victoria Daly Regional Council | 3 322 |
| West Daly Regional Council | 3 760 |
| Katherine Town Council | 11 105 |
| Roper Gulf Regional Council | 7 427 |
| Barkly Regional Council | 8 159 |
| Alice Springs Town Council | 27 939 |
| Central Desert Regional Council | 4 363 |
| MacDonnell Regional Council | 6 974 |
| TOTAL | 237 252 |

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

Schedule 2

Cost adjustors and key drivers 2016-17

| 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 2016-17

| Council | Sealed | Gravel | Formed | Unformed | Cycle paths | Total road lengths (km) | Council area (sq.km) |
|--|------------------|------------------|------------------|------------------|----------------|-------------------------|----------------------|
| City of Darwin | 442.020 | 0.130 | 0.000 | 0.000 | 72.550 | 514.700 | 141.75 |
| Tiwi Islands Regional Council | 38.079 | 221.289 | 294.265 | 291.659 | 0.000 | 845.292 | 7 500.84 |
| City of Palmerston | 195.720 | 1.300 | 0.000 | 0.000 | 46.050 | 243.070 | 56.40 |
| Litchfield Council | 609.120 | 101.820 | 3.380 | 2.550 | 7.100 | 723.970 | 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 | 57.206 | 106.621 | 8.120 | 0.000 | 2.960 | 174.907 | 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 | 60.600 | 326.270 | 71.260 | 608.250 | 1.810 | 1 068.190 | 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 | 264.956 | 199.410 | 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 | 1 104.007 | 0.000 | 1 554.638 | 268 784.20 |
| Local Government Association of the NT | 10.560 | 372.000 | 477.000 | 1 263.000 | 0.000 | 2 122.560 | N/A |
| TOTAL | 2 173.191 | 2 359.372 | 2 150.611 | 6 429.284 | 196.860 | 13 309.318 | 1 329 397.93 |

* 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 2014-15

| Actual revenue 2014-15 | \$ |
|-------------------------------------|----------------------|
| Rates and annual charges | 154 635 370 |
| Fines and penalties | 2 943 116 |
| Grants and subsidies | 186 035 956 |
| Fuel rebate | 418 996 |
| User fees and charges | 35 785 024 |
| Interest income | 8 542 295 |
| Loss on sale of assets | (4 066 817) |
| Other current revenue (n.e.c) | 40 563 514 |
| Other capital revenue | 8 320 261 |
| Total actual revenue 2014-15 | \$433 177 715 |

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

| Actual expenditure 2014-15 | \$ |
|---|----------------------|
| Employee expenses | 177 705 233 |
| Materials and contracts | 137 042 397 |
| Depreciation | 83 090 871 |
| Bad debts | 2 110 672 |
| Current transfers expenses | 798 677 |
| Interest | 563 390 |
| Other expenses | 52 685 343 |
| Total actual expenditure 2014-15 | \$453 996 583 |

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

| Identified local government revenue | \$ |
|--|----------------------|
| General rates-municipal levied | 106 587 470 |
| Domestic waste | 24 550 122 |
| Garbage other | 13 332 000 |
| Regional council rates | 15 277 345 |
| Parking | 1 010 049 |
| Interest | 8 542 295 |
| Total identified local government revenue | \$169 299 281 |

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

| Identified local government expenditure | \$ |
|--|----------------------|
| General public service | 113 582 708 |
| Public order and safety | 17 745 584 |
| Economic affairs | 35 502 699 |
| Environment protection | 15 285 091 |
| Housing and community amenities | 46 681 721 |
| Health | 3 542 162 |
| Recreation, culture and religion | 47 493 257 |
| Education | 3 589 570 |
| Social protection | 27 236 763 |
| Total identified local government expenditure | \$310 659 555 |

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

| Balanced budget approach used for the 2016-17 allocations | \$ |
|---|----------------------|
| Identified local government revenue | 169 299 281 |
| 50% Roads to Recovery grants 2015-16 | 2 558 632 |
| Library grants 2015-16 | 3 942 500 |
| Road grants 2015-16 | 15 081 511 |
| Budget term | 119 777 631 |
| Total revenue | \$310 659 555 |
| Identified local government expenditure | \$310 659 555 |
| Total expenditure | \$310 659 555 |

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

Schedule 5

Actual local government income 2014-15

| Council | Municipal rates (levied) \$ | Domestic waste \$ | Garbage other \$ | Regional council rates (levied) \$ | Interest \$ | Parking restricted \$ | Total \$ |
|---------------------------------------|--------------------------------|----------------------|---------------------|---------------------------------------|--------------------|--------------------------|----------------------|
| City of Darwin | 56 820 568 | 6 188 192 | 11 155 000 | 0 | 2 646 194 | 1 010 049 | 77 820 003 |
| Tiwi Islands Regional Council | 0 | 462 844 | 0 | 807 452 | 44 727 | 0 | 1 315 023 |
| City of Palmerston | 18 460 461 | 4 875 154 | 0 | 0 | 1 152 556 | 0 | 24 488 171 |
| Litchfield Council | 6 043 052 | 2 659 443 | 0 | 0 | 551 761 | 0 | 9 254 256 |
| Belyuen Community Government Council | 0 | 43 002 | 0 | 36 666 | 85 | 0 | 79 753 |
| Coomalie Community Government Council | 0 | 316 359 | 0 | 880 153 | 28 241 | 0 | 1 224 753 |
| Wagait Shire Council | 0 | 0 | 0 | 203 816 | 17 677 | 0 | 221 493 |
| West Arnhem Regional Council | 0 | 571 209 | 0 | 4 343 175 | 456 197 | 0 | 5 370 581 |
| East Arnhem Regional Council | 0 | 1 675 022 | 0 | 1 649 187 | 532 003 | 0 | 3 856 212 |
| Victoria Daly Regional Council | 0 | 442 865 | 0 | 456 566 | 173 822 | 0 | 1 073 253 |
| West Daly Regional Council | 0 | 343 428 | 0 | 719 697 | 61 378 | 0 | 1 124 503 |
| Katherine Town Council | 5 056 864 | 920 735 | 0 | 0 | 388 110 | 0 | 6 365 709 |
| Roper Gulf Regional Council | 0 | 485 857 | 0 | 121 936 | 270 438 | 0 | 878 231 |
| Barkly Regional Council | 0 | 721 000 | 0 | 3 212 585 | 157 000 | 0 | 4 090 585 |
| Alice Springs Town Council | 20 206 525 | 3 284 000 | 2 177 000 | 0 | 1 160 000 | 0 | 26 827 525 |
| Central Desert Regional Council | 0 | 786 363 | 0 | 1 181 467 | 377 572 | 0 | 2 345 402 |
| MacDonnell Regional Council | 0 | 774 649 | 0 | 1 664 645 | 524 534 | 0 | 2 963 828 |
| Total | \$106 587 470 | \$24 550 122 | \$13 332 000 | \$15 277 345 | \$8 542 295 | \$1 010 049 | \$169 299 281 |

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

Schedule 6

Actual council expenditure by function 2014-15

| 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 | 14 824 460 | 2 242 913 | 482 689 | 32 443 955 | 92 820 | 20 536 956 | 4 091 017 | 23 835 916 | 0 | 98 550 726 |
| Tiwi Islands Regional Council | 1 157 084 | 172 329 | 60 072 | 11 000 762 | 3 744 | 1 879 101 | 751 766 | 636 530 | 830 622 | 16 492 010 |
| City of Palmerston | 6 837 014 | 0 | 6 688 536 | 9 344 682 | 0 | 582 613 | 880 500 | 8 566 936 | 7 685 | 32 907 966 |
| Litchfield Council | 11 703 407 | 16 000 | 2 518 280 | 4 850 480 | 0 | 11 443 | 403 203 | 1 835 147 | 0 | 21 337 960 |
| Belyuen Community Government Council | 855 181 | 0 | 0 | 457 892 | 0 | 392 118 | 0 | 58 252 | 376 134 | 2 139 577 |
| Coomalie Community Government Council | 1 366 409 | 0 | 300 921 | 712 771 | 0 | 113 442 | 15 839 | 532 329 | 0 | 3 041 711 |
| Wagait Shire Council | 217 324 | 0 | 0 | 595 580 | 0 | 0 | 28 480 | 0 | 0 | 841 384 |
| West Arnhem Regional Council | 8 136 754 | 0 | 727 370 | 9 007 708 | 175 272 | 5 027 080 | 1 067 506 | 2 789 032 | 1 970 627 | 28 901 349 |
| East Arnhem Regional Council | 7 709 527 | 121 244 | 1 464 177 | 11 909 698 | 0 | 4 561 507 | 2 830 649 | 2 406 639 | 4 253 253 | 35 256 694 |
| Victoria Daly Regional Council | 1 034 830 | 0 | 0 | 22 171 976 | 2 133 426 | 640 150 | 4 469 | 993 717 | 1 709 289 | 28 687 857 |
| West Daly Regional Council | 0 | 0 | 481 208 | 6 838 082 | 0 | 993 482 | 1 339 248 | 980 504 | 2 611 044 | 13 243 568 |
| Katherine Town Council | 4 520 124 | 0 | 782 314 | 2 359 638 | 0 | 653 625 | 204 695 | 2 272 311 | 0 | 10 792 707 |
| Roper Gulf Regional Council | 1 648 622 | 1 167 378 | 191 866 | 14 446 742 | 0 | 8 770 804 | 134 076 | 1 411 941 | 11 525 594 | 39 297 023 |
| Barkly Regional Council | 991 000 | 0 | 194 000 | 16 029 000 | 936 000 | 3 509 000 | 2 312 000 | 2 302 000 | 2 159 000 | 28 432 000 |
| Alice Springs Town Council | 1 899 000 | 4 000 | 4 642 000 | 18 895 000 | 0 | 1 218 000 | 1 204 000 | 6 542 000 | 75 000 | 34 479 000 |
| Central Desert Regional Council | 1 111 243 | 0 | 883 869 | 8 795 211 | 0 | 7 211 067 | 3 744 440 | 968 651 | 4 273 272 | 26 987 753 |
| MacDonnell Regional Council | 3 108 836 | 0 | 9 101 | 21 244 904 | 367 698 | 2 551 789 | 845 555 | 164 282 | 4 315 133 | 32 607 298 |
| TOTAL | \$67 120 815 | \$3 723 864 | \$19 426 403 | \$191 104 081 | \$3 708 960 | \$58 652 177 | \$19 857 443 | \$56 296 187 | \$34 106 653 | \$453 996 583 |

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

Schedule 7

Assessed revenue 2014-15

| Council | Domestic waste \$ | Garbage other \$ | Municipal rates \$ | Regional council rates \$ | Parking restricted \$ | Interest \$ | Total assessed revenue \$ |
|---------------------------------------|----------------------|---------------------|-----------------------|------------------------------|--------------------------|--------------------|------------------------------|
| City of Darwin | 8 569 550 | 11 155 000 | 58 696 215 | 0 | 1 010 049 | 2 646 194 | 82 077 008 |
| Tiwi Islands Regional Council | 320 572 | 0 | 0 | 827 535 | 0 | 44 727 | 1 192 834 |
| City of Palmerston | 3 581 545 | 0 | 17 590 870 | 0 | 0 | 1 152 556 | 22 324 971 |
| Litchfield Council | 2 440 712 | 0 | 16 055 696 | 0 | 0 | 551 761 | 19 048 169 |
| Belyuen Community Government Council | 21 627 | 0 | 0 | 55 828 | 0 | 85 | 77 540 |
| Coomalie Community Government Council | 133 899 | 0 | 0 | 345 652 | 0 | 28 241 | 507 792 |
| Wagait Shire Council | 44 081 | 0 | 0 | 113 793 | 0 | 17 677 | 175 551 |
| West Arnhem Regional Council | 770 179 | 0 | 0 | 1 988 168 | 0 | 456 197 | 3 214 544 |
| East Arnhem Regional Council | 1 109 066 | 0 | 0 | 2 862 983 | 0 | 532 003 | 4 504 052 |
| Victoria Daly Regional Council | 343 751 | 0 | 0 | 887 370 | 0 | 173 822 | 1 404 942 |
| West Daly Regional Council | 389 073 | 0 | 0 | 1 004 368 | 0 | 61 378 | 1 454 819 |
| Katherine Town Council | 1 149 112 | 0 | 2 573 145 | 0 | 0 | 388 110 | 4 110 367 |
| Roper Gulf Regional Council | 768 524 | 0 | 0 | 1 983 894 | 0 | 270 438 | 3 022 855 |
| Barkly Regional Council | 844 269 | 0 | 0 | 2 179 425 | 0 | 157 000 | 3 180 694 |
| Alice Springs Town Council | 2 891 044 | 2 177 000 | 11 671 544 | 0 | 0 | 1 160 000 | 17 899 587 |
| Central Desert Regional Council | 451 470 | 0 | 0 | 1 165 441 | 0 | 377 572 | 1 994 483 |
| MacDonnell Regional Council | 721 649 | 0 | 0 | 1 862 889 | 0 | 524 534 | 3 109 071 |
| TOTAL | \$24 550 122 | \$13 332 000 | \$106 587 470 | \$15 277 345 | \$1 010 049 | \$8 542 295 | \$169 299 281 |

* 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 \$ | 2015-16 Roads to Recovery \$ | 2015-16 Library grant \$ | 2015-16 Roads grant \$ | Budget term \$ | Total standardised revenue \$ |
|---------------------------------------|---|------------------------------------|-----------------------------------|------------------------------|----------------------|--|
| City of Darwin | 82 077 008 | 312 058 | 1 477 200 | 1 778 053 | 41 809 992 | 127 454 311 |
| Tiwi Islands Regional Council | 1 192 834 | 165 760 | 63 165 | 942 296 | 1 564 038 | 3 928 093 |
| City of Palmerston | 22 324 971 | 134 595 | 570 612 | 795 741 | 17 474 008 | 41 299 927 |
| Litchfield Council | 19 048 169 | 432 358 | 0 | 2 492 033 | 11 907 992 | 33 880 553 |
| Belyuen Community Government Council | 77 540 | 5 656 | 0 | 32 151 | 105 514 | 220 861 |
| Coomalie Community Government Council | 507 792 | 69 223 | 50 757 | 403 436 | 653 281 | 1 684 490 |
| Wagait Shire Council | 175 551 | 9 467 | 0 | 53 818 | 215 068 | 453 904 |
| West Arnhem Regional Council | 3 214 544 | 201 294 | 97 005 | 1 157 190 | 3 757 629 | 8 427 662 |
| East Arnhem Regional Council | 4 504 052 | 199 553 | 214 312 | 1 134 399 | 5 411 026 | 11 463 342 |
| Victoria Daly Regional Council | 1 404 942 | 145 448 | 37 787 | 688 257 | 1 677 125 | 3 953 560 |
| West Daly Regional Council | 1 454 819 | 114 261 | 113 360 | 809 327 | 1 898 251 | 4 390 019 |
| Katherine Town Council | 4 110 367 | 107 540 | 252 682 | 611 402 | 5 606 404 | 10 688 396 |
| Roper Gulf Regional Council | 3 022 855 | 136 667 | 163 553 | 1 041 702 | 3 749 551 | 8 114 329 |
| Barkly Regional Council | 3 180 694 | 46 265 | 180 473 | 423 864 | 4 119 104 | 7 950 400 |
| Alice Springs Town Council | 17 899 587 | 162 805 | 595 262 | 924 573 | 14 105 117 | 33 687 344 |
| Central Desert Regional Council | 1 994 483 | 146 655 | 87 981 | 831 430 | 2 202 678 | 5 263 227 |
| MacDonnell Regional Council | 3 109 071 | 169 027 | 38 351 | 961 839 | 3 520 852 | 7 799 140 |
| TOTAL | \$169 299 281 | \$2 558 632 | \$3 942 500 | \$15 081 511 | \$119 777 631 | \$310 659 555 |

* 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 | 9 906 343 | 807 510 | 5 335 466 | 33 506 069 | 796 845 | 10 501 518 | 3 992 046 | 13 252 077 | 6 127 181 | 84 225 055 |
| Tiwi Islands Regional Council | 573 921 | 80 109 | 199 590 | 2 181 849 | 79 051 | 1 041 798 | 396 029 | 767 754 | 607 844 | 5 927 945 |
| City of Palmerston | 4 140 243 | 349 783 | 2 229 897 | 14 392 464 | 345 163 | 4 548 860 | 1 729 203 | 5 538 554 | 2 654 063 | 35 928 229 |
| Litchfield Council | 3 111 457 | 256 518 | 1 519 605 | 9 454 574 | 253 130 | 3 335 972 | 1 268 136 | 4 162 309 | 1 946 395 | 25 308 097 |
| Belyuen Community Government Council | 25 000 | 4 191 | 13 465 | 152 674 | 4 135 | 54 498 | 20 717 | 33 444 | 31 797 | 339 921 |
| Coomalie Community Government Council | 196 153 | 18 791 | 83 367 | 586 550 | 18 543 | 244 378 | 92 898 | 262 401 | 142 584 | 1 645 665 |
| Wagait Shire Council | 50 958 | 3 952 | 27 445 | 165 970 | 3 900 | 51 396 | 19 538 | 68 168 | 29 987 | 421 312 |
| West Arnhem Regional Council | 1 461 732 | 189 386 | 479 519 | 4 879 457 | 186 885 | 2 462 937 | 936 261 | 1 955 412 | 1 437 017 | 13 988 607 |
| East Arnhem Regional Council | 2 968 484 | 380 335 | 690 513 | 7 668 891 | 375 311 | 4 946 183 | 1 880 241 | 3 971 050 | 2 885 884 | 25 766 892 |
| Victoria Daly Regional Council | 641 985 | 84 261 | 214 022 | 2 202 715 | 83 148 | 1 095 796 | 416 556 | 858 807 | 639 349 | 6 236 638 |
| West Daly Regional Council | 618 228 | 90 642 | 242 240 | 2 690 337 | 89 445 | 1 178 786 | 448 104 | 827 026 | 687 771 | 6 872 578 |
| Katherine Town Council | 1 379 047 | 137 070 | 715 446 | 5 241 729 | 135 260 | 1 782 573 | 677 627 | 1 844 801 | 1 040 054 | 12 953 606 |
| Roper Gulf Regional Council | 1 899 176 | 239 681 | 478 489 | 5 063 727 | 236 515 | 3 117 006 | 1 184 898 | 2 540 598 | 1 818 638 | 16 578 727 |
| Barkly Regional Council | 1 793 268 | 221 113 | 525 648 | 5 165 461 | 218 193 | 2 875 533 | 1 093 105 | 2 398 920 | 1 677 749 | 15 968 990 |
| Alice Springs Town Council | 3 812 211 | 356 347 | 1 799 985 | 12 454 987 | 351 641 | 4 634 228 | 1 761 655 | 5 099 733 | 2 703 871 | 32 974 657 |
| Central Desert Regional Council | 1 111 318 | 139 327 | 281 089 | 2 942 004 | 137 487 | 1 811 927 | 688 786 | 1 486 650 | 1 057 181 | 9 655 767 |
| MacDonnell Regional Council | 1 813 177 | 230 556 | 449 304 | 4 833 249 | 227 511 | 2 998 334 | 1 139 787 | 2 425 553 | 1 749 398 | 15 866 868 |
| Total | \$35 502 699 | \$3 589 570 | \$15 285 091 | \$113 582 708 | \$3 542 162 | \$46 681 721 | \$17 745 584 | \$47 493 257 | \$27 236 763 | \$310 659 555 |

* 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 2016-17

| State/Territory | General purpose \$ | Share % | Local road component \$ | Share % | Total \$ | Share % |
|-----------------|------------------------|-------------|-------------------------------|-------------|------------------------|-------------|
| NSW | 508 002 282 | 32.05 | 204 085 189 | 29.01 | 712 087 471 | 31.11 |
| VIC | 397 116 376 | 25.05 | 145 020 454 | 20.62 | 542 136 830 | 23.69 |
| QLD | 318 465 494 | 20.09 | 131 795 765 | 18.74 | 450 261 259 | 19.67 |
| WA | 172 445 721 | 10.88 | 107 554 465 | 15.29 | 280 000 186 | 12.23 |
| SA | 112 768 578 | 7.11 | 38 657 876 | 5.50 | 151 426 454 | 6.62 |
| TAS | 34 265 579 | 2.16 | 37 276 466 | 5.30 | 71 542 045 | 3.13 |
| NT | 16 161 188 | 1.02 | 16 477 568 | 2.34 | 32 638 756 | 1.43 |
| ACT | 26 027 665 | 1.64 | 22 555 574 | 3.21 | 48 583 239 | 2.12 |
| TOTAL | \$1 585 252 883 | 100% | \$703 423 357 | 100% | \$2 288 676 240 | 100% |

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

Schedule 11

Visits to local governing bodies

| Council | Service delivery centre | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|--|-------------------------|---------|-----------|---------|---------|
| Darwin City Council | Darwin | | | | |
| Tiwi Islands Regional Council | Wurruyiyanga | | 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 | | |
| | Warruwi | | 18 Nov 14 | | |

Schedule 11 (cont.)

Visits to local governing bodies

| Council | Service delivery centre | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|--------------------------------|--------------------------|-----------|---------|-----------|-----------|
| East Arnhem Regional Council | Shire Office (Nhulunbuy) | | | | 03 Jun 13 |
| | Galiwin'ku | | | | 06 Jun 13 |
| | Gapuwiyak | | | | 07 Jun 13 |
| | Gunyangara (Marngarr) | | | | 07 Jun 13 |
| | Milyakburra | | | | 05 Jun 13 |
| | Milingimbi | | | | 06 Jun 13 |
| | Ramingining | | | | 05 Jun 13 |
| | Yirrkala | | | | 03 Jun 13 |
| | Umbakumba | | | | 04 Jun 13 |
| | Angurugu | | | | 04 Jun 13 |
| Victoria Daly Regional Council | Shire Office (Katherine) | 07 Oct 15 | | | 18 Jul 12 |
| | Daly River | 06 Oct 15 | | | 17 Jul 12 |
| | Palumpa | | | | 16 Jul 12 |
| | Peppimenarti | | | | 17 Jul 12 |
| | Wadeye | | | | 16 Jul 12 |
| | Daguragu/Kalkarindji | 09 Oct 15 | | | 20 Jul 12 |
| | Timber Creek | 08 Oct 15 | | | 19 Jul 12 |
| | Yarralin | 08 Oct 15 | | | 19 Jul 12 |
| | Pine Creek | 07 Oct 15 | | | 18 Jul 12 |
| Katherine Town Council | Katherine | | | | 18 Jul 12 |
| | Binjari | | | | |
| West Daly Regional Council | Palumpa | 05 Oct 15 | | | |
| | Peppimenarti | 06 Oct 15 | | | |
| | Wadeye | 05 Oct 15 | | | |
| Roper Gulf Regional Council | Shire Office (Katherine) | 06 May 16 | | 10 Oct 13 | |
| | Borroloola | 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 | |
| | Minyerri | 06 May 16 | | | |

Schedule 11 (cont.)

Visits to local governing bodies

| Council | Service delivery centre | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---------------------------------|------------------------------|---------|-----------|-----------|-----------|
| 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 | |
| | Arparra (Utopia) | | | 21 May 14 | |
| Alice Springs Town Council | Alice Springs | | | 19 May 14 | |
| Central Desert Regional Council | Shire Office (Alice Springs) | | 25 Mar 15 | | |
| | Nyirippi | | 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) | | | | |
| | Areyonga | | | | 01 Nov 12 |
| | Haasts Bluff | | | | 01 Nov 12 |
| | Imanpa | | | | 30 Oct 12 |
| | Docker River | | | | 31 Oct 12 |
| | Hermannsburg (Ntaria) | | | | 29 Oct 12 |
| | Papunya | | | | 01 Nov 12 |
| | Kintore | | | | 31 Oct 12 |
| | Wallace Rockhole | | | | |
| | Amoonguna | | | | 02 Nov 12 |
| | Finke | | | | 30 Oct 12 |
| | Santa Teresa | | | | 02 Nov 12 |
| | Titjikala | | | | 29 Oct 12 |
| | Mount Liebig | | | | |
| | Mutitjulu | | | | n/a |

Schedule 12

Local governing bodies that failed to lodge 2014-15 annual financial statements by the date specified

| |
|--------------------------------------|
| Belyuen Community Government Council |
|--------------------------------------|

| |
|--------------------|
| Litchfield Council |
|--------------------|

| |
|-------------------------------|
| Tiwi Islands Regional Council |
|-------------------------------|

| |
|----------------------------|
| West Daly 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 2016-17 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 2016-17 allocations, financial data in respect of the 2014-15 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

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 2016-17 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 |
| Total local government revenue | = | Assessed NT average revenue + other grant support + budget term |

Where

| | | |
|---|---|---|
| Revenue category | = | Domestic waste, garbage, general rates, general rates other, special rates parking, special rates other, fines and interest |
| Domestic waste | = | Per capita |
| Garbage other | = | Actual |
| General rates | = | Average rate |
| Service charges | = | Per capita |
| Interest | = | Actual |
| State income by revenue category 2014-15 | = | Actual state local government gross income |
| Actual state local government gross income 2014-15 | = | \$169 299 281 |
| Other grant support | = | Roads to Recovery grant 2015-16 50%, library grant 2015-16 and roads grant 2015-16 |
| Budget term | = | Population x per capita amount |
| Total local government revenue for 2016-17 allocations | = | \$310 659 555 |

2. Expenditure components

Total local government expenditure of \$310 659 555 apportioned over each expenditure component.

(a) General public services (\$113 582 708)

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

(b) Public order and safety (\$17 745 584)

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

(c) Economic affairs (\$35 502 699)

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

(d) Environmental protection (\$15 285 091)

Community population/Northern Territory population x environmental protection expenditure

(e) Housing and community amenities (\$46 681 721)

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

(f) Health (\$3 542 162)

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

(g) Recreation, culture and religion (\$47 493 257)

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

(h) Education (\$3 589 570)

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

(i) Social protection (\$27 236 763)

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 |
|---|---|---|--|--------------------------|
| URBAN (U) | Capital City (CC) | | | UCC |
| Population more than 20 000 | Metropolitan developed (D) 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 |
| or | | | | |
| Population density more than 30 persons per sq km | Regional Towns/City (R) 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 |
| or | | | | |
| 90% or more of LGA population is urban | Fringe (F) 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 |
| Rural (R) | | | | |
| An LGA with population less than 20 000 | Significant growth (SG) Average annual population growth more than 3%, population more than 5 000 and not remote | Not applicable | | RSG |
| and | | | | |
| Population density less than 30 persons per sq km | Agricultural (A) | 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 |
| and | | | | |
| Less than 90% of LGA population is urban | Remote (T) | 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 |

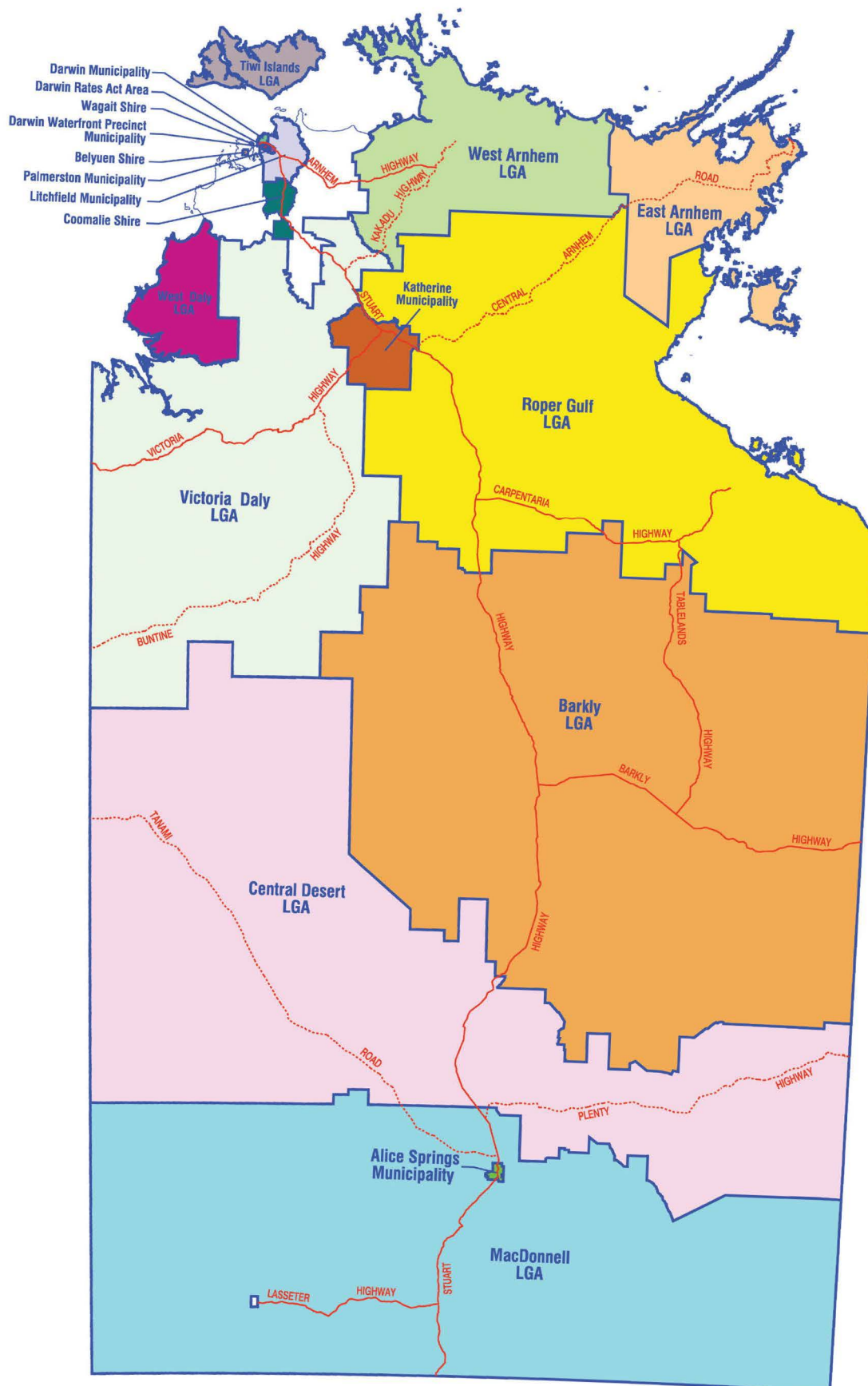
Appendix D

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 | RTX |
| 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



Auditor-General
Independent Auditor's Report
to the Minister for Housing and Community Development
Northern Territory Grants Commission

I have audited the accompanying financial report, being a special purpose financial report of Northern Territory Grants Commission, which comprises the balance sheet as at 30 June 2016, the income statement for the year then ended, notes to and forming part of the financial statements, and the statement by Accountable Officer.

The Accountable Officer's Responsibility for the Financial Report

The Accountable Officer of the Northern Territory Grants Commission is responsible for the preparation of the financial report that gives a true and fair view and has determined that the basis of preparation is appropriate to meet the requirements of the *Local Government (Financial Assistance) Act 1995*. The Accountable Officer's responsibility also includes 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 Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Accountable Officer, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit.

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of Northern Territory Grants Commission as at 30 June 2016, and of its financial performance for the year then ended in accordance with Australian Accounting Standards.

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 (Financial Assistance) Act 1995*. As a result, the financial report may not be suitable for another purpose.

Julie Crisp

Auditor-General for the Northern Territory
 Darwin, Northern Territory

30 September 2016

NORTHERN TERRITORY GRANTS COMMISSION

Balance sheet as at 30 June 2016

| | 2015 | 2016 |
|-------------|------|------|
| | \$ | \$ |
| Assets | Nil | Nil |
| Liabilities | Nil | Nil |

Income statement for the year ended 30 June 2016

| | | |
|-------------|-----|-----|
| Income | Nil | Nil |
| Expenditure | Nil | Nil |

Notes to and forming part of the financial statements are attached.

Statement by Accountable Officer

In my opinion:

- (i) The accompanying income statement presents fairly Northern Territory Grants Commission's transactions for the reporting year ended 30 June 2016.

The financial statements are based on proper accounts and records and are in agreement with the accounts and have been properly drawn up so as to present fairly the transactions of the Northern Territory Grants Commission for the reporting year ended 30 June 2016 and its financial position at that date;

- (ii) The accompanying balance sheet presents fairly the Northern Territory Grants Commission's state of affairs at the end of the reporting year; and

- (iii) The financial statements are in accordance with applicable accounting standards.



Peter Thornton
Accountable Officer

28 September 2016

NORTHERN TERRITORY GRANTS COMMISSION

Notes to and forming part of the financial statements for the year ended 30 June 2016.

1. The Commission was established under the provision of the *Local Government Grants Commission Act*, which came into operation on 1 July 1986, in order to comply with the requirements of the then *Local Government (Financial Assistance) Act 1986*.
2. The Commission's activity is to make recommendations to the Minister for Local Government, 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 Local Government and Community Services. Allocations of general purpose grants and road grants recommended for distribution were:

| | Recommendation for distribution in 2014-15 | Recommendation for distribution in 2015-16 |
|------------------------|---|---|
| General Purpose Grants | \$16 635 820 | \$16 545 106 |
| Road Grants | \$16 569 711 | \$16 476 573 |
| Total | <u>\$33 205 531</u> | <u>\$33 021 679</u> |

3. The costs of operation of the Commission, which are met from the funds appropriated to the Department of Local Government and Community Services were \$288 580.59 compared to \$304 230.49 in 2014-15. An allowance has been made for the salary cost of administrative support provided by the Department of Local Government and Community Services.
4. 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 2015 to 30 June 2016



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 2015 to 30 June 2016

Scope

I have audited the accompanying 'Statement of Payments Made to Local Governing Bodies by the Northern Territory' during the year 1 July 2015 to 30 June 2016 (the Statement).

The Department of Housing and Community Development's responsibility for the Financial Report

The Department of Housing and Community Development (formerly the Department of Local Government and Community Services) is responsible for the preparation and fair presentation of the Statement in accordance with the requirements of the *Local Government (Financial Assistance) Act 1995* and for such internal control as the 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 Responsibility

My responsibility is to express an opinion on the Statement based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, made by management, as well as evaluating the overall presentation of the Statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, payments by the Northern Territory to local governing bodies in the Northern Territory during the period 1 July 2015 to 30 June 2016 amounting to \$33,021,679 are shown correctly in the accompanying Statement.

Basis of Accounting

Without modifying my opinion, I draw attention to the cash basis of accounting used in the attached Statement which has been 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.

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

Julie Crisp
Auditor-General for the Northern Territory
Darwin, Northern Territory

30 September 2016

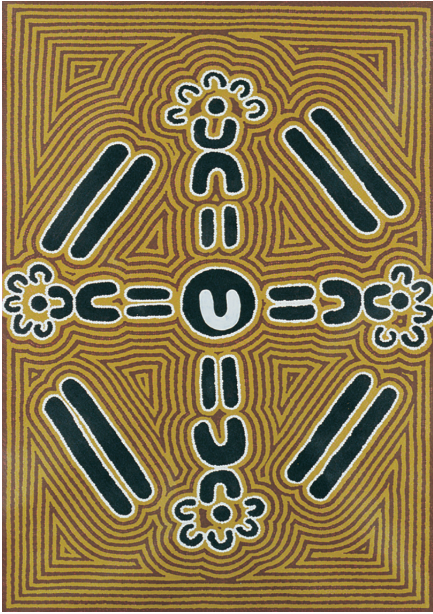
LOCAL GOVERNMENT (FINANCIAL ASSISTANCE) Act 1995 - SECTION 15
Statement of payments made to local governing bodies by the Northern Territory
during the year 1 July 2015 to 30 June 2016
as required under sub-section 15(b) of the Local Government (Financial Assistance) Act 1995 (the Act)

Total amount received from the Commonwealth during the year ended 30 June 2016 under the Act: General Purpose \$16,545,106.00
Road Funding \$16,476,573.00
\$33,021,679.00

| Organisation | Early Release | | First Quarter | | Second Quarter | | Third Quarter | | Fourth Quarter | | Total | |
|--|---------------|------------------------|---------------|-----------------------|----------------|-----------------------|---------------|-----------------------|----------------|-----------------------|------------------------|------------------------|
| | Date | Amount | Date | Amount | Date | Amount | Date | Amount | Date | Amount | Road Assistance | Financial Assistance |
| ALICE SPRINGS TOWN COUNCIL | 6/07/2015 | \$860,839.00 | 18/08/2015 | \$200,656.00 | 17/11/2015 | \$200,656.00 | 16/02/2016 | \$200,656.00 | 17/05/2016 | \$200,658.00 | \$824,558.00 | \$1,663,465.00 |
| BARLEY REGIONAL COUNCIL | 6/07/2015 | \$1,001,545.00 | 18/08/2015 | \$300,215.00 | 17/11/2015 | \$300,215.00 | 16/02/2016 | \$300,215.00 | 17/05/2016 | \$300,219.00 | \$423,860.00 | \$2,202,409.00 |
| BELYUEN COMMUNITY GOVERNMENT COUNCIL | 6/07/2015 | \$29,782.00 | 18/08/2015 | \$6,540.00 | 17/11/2015 | \$6,540.00 | 16/02/2016 | \$6,540.00 | 17/05/2016 | \$6,544.00 | \$32,150.00 | \$55,946.00 |
| CENTRAL DESERT REGIONAL COUNCIL | 6/07/2015 | \$873,705.00 | 18/08/2015 | \$237,556.00 | 17/11/2015 | \$237,556.00 | 16/02/2016 | \$237,556.00 | 17/05/2016 | \$237,560.00 | \$831,417.00 | \$1,823,933.00 |
| CITY OF DARWIN | 6/07/2015 | \$1,793,061.00 | 18/08/2015 | \$432,152.00 | 17/11/2015 | \$432,152.00 | 16/02/2016 | \$432,152.00 | 17/05/2016 | \$432,156.00 | \$1,778,024.00 | \$3,521,673.00 |
| CITY OF PALMERSTON | 6/07/2015 | \$739,759.00 | 18/08/2015 | \$192,706.00 | 17/11/2015 | \$192,706.00 | 16/02/2016 | \$192,706.00 | 17/05/2016 | \$192,708.00 | \$795,729.00 | \$1,510,585.00 |
| COOMALIE COMMUNITY GOVERNMENT COUNCIL | 6/07/2015 | \$217,715.00 | 18/08/2015 | \$53,299.00 | 17/11/2015 | \$53,299.00 | 16/02/2016 | \$53,299.00 | 17/05/2016 | \$53,303.00 | \$403,430.00 | \$430,915.00 |
| EAST ARNHEM REGIONAL COUNCIL | 6/07/2015 | \$2,290,698.00 | 18/08/2015 | \$540,581.00 | 17/11/2015 | \$540,581.00 | 16/02/2016 | \$540,581.00 | 17/05/2016 | \$540,583.00 | \$1,134,381.00 | \$4,453,024.00 |
| KATHERINE TOWN COUNCIL | 6/07/2015 | \$502,268.00 | 18/08/2015 | \$121,071.00 | 17/11/2015 | \$121,071.00 | 16/02/2016 | \$121,071.00 | 17/05/2016 | \$121,074.00 | \$611,392.00 | \$985,555.00 |
| LITCHFIELD COUNCIL | 6/07/2015 | \$1,501,211.00 | 18/08/2015 | \$363,847.00 | 17/11/2015 | \$363,847.00 | 16/02/2016 | \$363,847.00 | 17/05/2016 | \$363,849.00 | \$2,491,993.00 | \$2,955,601.00 |
| LOCAL GOVERNMENT ASSOCIATION OF THE NORTHERN TERRITORY | 6/07/2015 | \$710,214.00 | 18/08/2015 | \$171,270.00 | 17/11/2015 | \$171,270.00 | 16/02/2016 | \$171,270.00 | 17/05/2016 | \$171,273.00 | \$1,395,297.00 | \$1,395,297.00 |
| MACDONNELL REGIONAL COUNCIL | 6/07/2015 | \$1,416,333.00 | 18/08/2015 | \$338,124.00 | 17/11/2015 | \$338,124.00 | 16/02/2016 | \$338,124.00 | 17/05/2016 | \$338,125.00 | \$961,823.00 | \$2,768,830.00 |
| ROPER GULF REGIONAL COUNCIL | 6/07/2015 | \$1,345,880.00 | 18/08/2015 | \$406,280.00 | 17/11/2015 | \$406,280.00 | 16/02/2016 | \$406,280.00 | 17/05/2016 | \$406,284.00 | \$1,041,689.00 | \$2,571,004.00 |
| TIMU ISLANDS REGIONAL COUNCIL | 6/07/2015 | \$695,701.00 | 18/08/2015 | \$165,012.00 | 17/11/2015 | \$165,012.00 | 16/02/2016 | \$165,012.00 | 17/05/2016 | \$165,014.00 | \$942,281.00 | \$1,555,751.00 |
| VICTORIA DALY REGIONAL COUNCIL | 6/07/2015 | \$640,223.00 | 18/08/2015 | \$124,964.00 | 17/11/2015 | \$124,964.00 | 16/02/2016 | \$124,964.00 | 17/05/2016 | \$124,965.00 | \$668,244.00 | \$1,140,080.00 |
| WAGAIT SHIRE COUNCIL | 6/07/2015 | \$32,501.00 | 18/08/2015 | \$7,594.00 | 17/11/2015 | \$7,594.00 | 16/02/2016 | \$7,594.00 | 17/05/2016 | \$7,597.00 | \$53,817.00 | \$62,880.00 |
| WEST ARNHEM REGIONAL COUNCIL | 6/07/2015 | \$1,273,274.00 | 18/08/2015 | \$283,691.00 | 17/11/2015 | \$283,691.00 | 16/02/2016 | \$283,691.00 | 17/05/2016 | \$283,692.00 | \$1,157,172.00 | \$2,408,039.00 |
| WEST DALY REGIONAL COUNCIL | 6/07/2015 | \$583,230.00 | 18/08/2015 | \$182,865.00 | 17/11/2015 | \$182,865.00 | 16/02/2016 | \$182,865.00 | 17/05/2016 | \$182,867.00 | \$809,316.00 | \$1,314,692.00 |
| Total | | \$16,507,939.00 | | \$4,128,423.00 | | \$4,128,423.00 | | \$4,128,423.00 | | \$4,128,471.00 | \$16,476,573.00 | \$33,021,679.00 |

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

Peter Thornton
PETER THORNTON
Executive Officer
NT Grants Commission
28 September 2016



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