

# Annual Report 2015-2016



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# LETTER OF REPRESENTATION TO THE MINISTERS

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The Hon Gerry McCarthy, MLA  
Minister for Housing and Community Development and  
The Hon Michael Gunner, MLA  
Minister for Aboriginal Affairs  
Parliament House  
Darwin NT 0800

Dear Ministers

In accordance with Section 28 of the *Public Sector Employment and Management Act*, I am pleased to submit the 2015–16 annual report on the activities and achievements of the Department of Local Government and Community Services.

Pursuant to the *Public Sector Employment and Management Act*, the *Financial Management Act* and the *Information Act*, I advise that to the best of my knowledge and belief:

- a) proper records of all transactions affecting the department are kept and employees under my control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and Treasurer's Directions
- b) procedures within the department afford proper internal control and these procedures are recorded in the department's Account and Property Manual, which has been prepared in accordance with the requirements of the *Financial Management Act*
- c) there is no indication of fraud, malpractice, major breach of legislation or delegation, major error in, or omission from, the accounts and records
- d) in accordance with Section 15 of the *Financial Management Act*, the internal audit capacity is adequate and the results of internal audits have been reported to me
- e) the financial statements included in the annual report have been prepared from proper accounts and records and are in accordance with Treasurer's Directions
- f) all Employment Instructions issued by the Commissioner for Public Employment have been satisfied
- g) in respect of my responsibilities pursuant to Section 131 of the *Information Act*, I advise that, to the best of my knowledge and belief, the department is working in compliance with Part 9 of the *Information Act*.

Yours sincerely



Andrew Kirkman  
Acting Chief Executive  
30 September 2016

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# 01 Overview

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Details the department's purpose, primary functions and objectives. Outlines the department's clients and stakeholders as well as some key highlights during the 2015-16 financial year.

# OVERVIEW

Our primary role is to build stronger regions and communities through effective local government, to deliver and coordinate critical and essential infrastructure projects and services to remote communities, and provide interpreting and translating services to support members of our community who speak a language other than English.

We are responsible for delivering an improved remote engagement model to help Aboriginal people and their communities realise their economic and social aspirations, including through the Community Champions Program. We are responsible for promoting safety, equality and participation of women in the Territory and improving Northern Territory men's policy and services.

The Department of Local Government and Community Services is structured around four key divisions: Language and Business Services, Local Government, Strategy and Community Development and the Office of Aboriginal Affairs.



## Our people

We employ more than 600 people across the Northern Territory, including full time and casual employees.

The department leads the way in Indigenous employment in the Northern Territory with the number of Aboriginal and Torres Strait Islander employees accounting for 50.4 per cent of our workforce.

## Our clients

Our Ministers

Government agencies

Non-government organisations

Department of Local Government and Community Services staff

Other government employees

Regional and municipal councils

## Our stakeholders

Northern Territory community

Australian Government

Other state and territory governments



# CHIEF EXECUTIVE'S MESSAGE

I am pleased to present the annual report for the former Department of Local Government and Community Services for the year ended 30 June 2016.

New administrative Arrangement Orders have transferred the functions of the former Department of Local Government and Community Services to the newly formed Department of Housing and Community Development. This annual report is a reflection of the work undertaken by the department during the previous financial year under the leadership of the then Chief Executive, Mike Chiodo.

This annual report provides a comprehensive account of the department's functions and performance against approved budgets and resources for 2015-16. The report also provides information about the department's responsibilities, corporate governance arrangements, performance against outputs and financial position.

During 2015-16 the Department of Local Government and Community Services has continued to focus on building stronger regions and remote communities, working in 72 remote communities and more than 300 homelands across the NT.

Significant work has been undertaken in communities delivering infrastructure and associated services, including services to homelands to improve the standard of living, and working to ensure communities are 'development ready' through cadastral surveys and planning. Additionally, the department has negotiated 58 community housing leases over the equivalent of 4000 parcels of land occupied by public housing in remote communities across the Northern Territory. This will all contribute to generating social and economic benefits.

The department's Aboriginal Interpreter Service has more than 300 registered interpreters and is one of the largest employers of Aboriginal people in Australia. Interpreters help improve the day to day lives of more than 35 000 Aboriginal people in the NT who speak an Indigenous language at home. The outstanding work undertaken by this team was recognised this year when the Police Caution produced in multiple Indigenous languages won the Fitzgerald Justice Award in the 2015 NT Human Rights Awards.

We continue to monitor and support the daily functions of local authorities in 63 remote communities within nine regional councils, and approved an unprecedented \$3.9 million in special purpose grants for local government councils in 2015-16.

The Office of Aboriginal Affairs, which was newly created in early 2015 has been working across the Northern Territory Government to deliver on an Aboriginal Affairs Strategy to enable economic development and create jobs in remote and regional areas. Under the strategy, \$2.06 million has been awarded for 12 projects under the Remote Aboriginal Economic Development Fund and 17 projects through the Community Champions and First Circles Engagement program.

Staff within the department have focused on community benefit and development and continue to look for ways to improve the collaboration with communities to help them achieve their aspirations and make a positive difference.

Staff pride themselves on a strong service ethos and working collaboratively with a large network of people, both within the Territory and across Australia.

The complexity and diversity of the department and the ability of personnel to stay focused on outcomes is a credit to them and the positive organisational culture.

Other departmental achievements include:

- establishing the inaugural Women's Consultative Council with 12 members to give Territory women a way of engaging directly with government
- the Remote Housing Development Organisation project commenced and will provide transformational change and will give back to Aboriginal people their voice and involvement in decision making regarding remote housing and investment in their communities.

- the launch of the Aboriginal Affairs Strategy to develop a pipeline of infrastructure investment to enable economic development in remote and regional communities.
- \$43 million in grants have been provided to support more than 400 occupied homelands throughout the Northern Territory and about 10 000 Aboriginal people.
- \$14 million in Homelands Extra Allowance was provided to 2642 eligible participants since July 2013 to undertake additional work on homeland houses.

I look forward to seeing the great work continuing within this department to improve the life of Territorians, particularly in remote communities.



Andrew Kirkman  
Acting Chief Executive  
30 September 2016



# HIGHLIGHTS

## LANGUAGE AND BUSINESS SERVICES

### Aboriginal Interpreter Service

- Launch of the Police Caution application, a recording into 21 Aboriginal languages of the police caution that tells people of their rights when they are interviewed by police. This application is available to all police on their iPads so they can provide an immediate caution in language when required.
- The Police Caution application won the Fitzgerald Justice Award in the 2015 NT Human Rights Awards.
- The plain English legal dictionary was launched at the second NT Language and the Law Conference in August 2015. This dictionary provides plain English descriptions of complex legal terminology, enabling more effective interpretable language.
- The Aboriginal Interpreter Service was awarded Most Popular Video on IndigiTUBE for 2015, with more than 6 100 views. The winning video entitled *'You understand, don't you?'* is a reverse role-play in Djambarrpuyngu (Yolngu Matha), which highlights the communication challenges faced by Aboriginal interpreters and Aboriginal defendants when moving through the legal and court systems of Australia.

### Interpreting and Translating Service NT

- Professional development sessions for ethnic language interpreters included a visit to Parliament House and the Legislative Assembly sittings, to gain a greater understanding of parliamentary processes.
- Following an announcement by the Northern Territory Government that up to 1 200 Syrian refugees may be settled in Darwin, Interpreting and Translating Service NT recruited a number of Arabic interpreters to provide language support services to any Arabic speaking humanitarian resettlement arrivals.

### Business Services

- As part of its corporate social responsibility, the department started a collection of empty bottles and cans for collection by Helping People Achieve (HPA) to raise funds for Downs Syndrome. This added to existing fund raising activities undertaken within the department.



## Language Services

- The Aboriginal Interpreter Service supported disaster relief efforts in December 2015 following the flooding and evacuation of the community of Nauiyu Nambiyu, with Aboriginal interpreters helping more than 500 residents evacuated from the community on the Daly River. The interpreters provided support for evacuees housed at the Foskey Pavilion, as well as providing interpreting services during the return to the community and clean-up activities.
- The Aboriginal Interpreter Service continued recording daily news bulletins for ABC Radio in Yolngu Matha and Warlpiri, and added a third language – Kriol – to provide coverage for Aboriginal people mainly living in the Katherine and Big Rivers region.

## LOCAL GOVERNMENT

- Local authorities have been established in 63 remote communities within the nine regional councils and are holding regular meetings, with six to 14 appointed members and relevant regional council elected members.
- About 506 members of local authorities have been appointed from local communities across the Northern Territory, with 88 per cent Indigenous, 42 per cent women and 94 elected regional council members who participate as members of local authorities.
- Since their inception in July 2014 to the end of June 2016, local authorities have held 580 successful meetings, with 287 successful meetings held during 2015–16. Nine million dollars was approved for 391 local priority projects in the period July 2014 – June 2016.
- The department conducted comprehensive consultation for the reviews of the *Cemeteries Act* and *Local Government Act*.
- In 2015–16, an unprecedented total of \$3.9 million in special purpose grants were approved for local government councils as a source of funding to replace or renew vital infrastructure.
- The department developed a Remote Engagement and Coordination Strategy to improve the way the Northern Territory Government coordinates services and engages with remote Aboriginal community members.
- The department commenced the Strengthening Local Authorities as the preferred central forum for NT Government engagement in remote communities.

## OFFICE OF ABORIGINAL AFFAIRS

- A \$4 million Remote Aboriginal Economic Development Fund has been established over two years for small to large economic projects to build capacity and governance in remote communities to stimulate economic development and direct employment.
- \$2.06 million has been awarded for 12 projects under the Remote Aboriginal Economic Development Fund and 17 projects through the Community Champions and First Circles Engagement program.
- In 2015–16, 35 per cent of construction contracts in remote areas employed locals as a result of the department's Remote Contracting Policy and the Department of Infrastructure's Provisional Sum initiative.
- Thirteen Community Champions, who are Northern Territory Government Chief Executives and Office of Aboriginal Affairs Community Development Liaison Officers worked closely with nominated communities to identify and create potential projects for \$2.317 million to be invested in remote communities.
- The department is helping to establish bakery cafes in 21 remote communities across the Northern Territory with \$7.35 million in funding from the Australian and Northern Territory Governments.
- Four new morgues will be built and 16 morgues will be upgraded across the Northern Territory as part of the Remote Morgues Program, with \$2.27 million in funding committed to the program in 2015–16.

## STRATEGY AND COMMUNITY SERVICES

- The department has negotiated 58 community housing leases over the equivalent of 4000 parcels of land occupied by public housing in remote communities across the Northern Territory.
- Long term leases have been negotiated over 974 parcels of land occupied by Northern Territory Government infrastructure in remote communities.
- \$43 million in grants have been provided to support more than 400 occupied homelands throughout the Northern Territory and about 10 000 Aboriginal people.
- \$14 million in Homelands Extra Allowance was provided to 2642 eligible participants since July 2013 to undertake additional work on homeland houses.
- The inaugural Women's Consultative Council was established in May 2016 to give Territory women a way of engaging directly with government and consists of 12 members chosen from more than 70 women from urban, remote and rural areas who all put in high calibre nominations.
- The department coordinated \$1.65 million of critical electricity, water and sewerage infrastructure upgrades in Jabiru on behalf of the Jabiru Town Development Authority. The electricity supply now has the networking capacity to provide security against power outages across the town.
- The Wadeye community will have access to more secure and reliable power supply after a \$13.9 million gas fired power station was built, removing the need for diesel generation. The power station will reduce the cost of electricity in Wadeye over the next 40 years and new electrical prepayment smart meters were installed in local households to make power bill payments easier.
- A total of 993 new prepayment smart meters have been installed at Nauiyu, Wadeye, Milingimbi, Wurrumiyanga, Milikapiti and Pirlangimpi to make it easier for residents to pay their power bills.

# STRATEGIC PRIORITIES FOR 2016–17

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## STRATEGY AND COMMUNITY DEVELOPMENT

- Roll out an enhanced Homelands Extra Program to improve housing amenities across more than 300 homelands.
- Work with residents and service providers to invest an additional \$11.7 million in projects to improve homeland sustainability, including water security, renewable energy systems, plant and equipment upgrades.
- Create a planning blueprint for remote minor communities to enable 'development ready' communities that complement community aspirations and guides future investment and home ownership.
- Continue negotiating leases on remote parcels of land on behalf of the Northern Territory Government.
- Implement the Bushtel system to give both government and local people the ability to record, track and report on community concerns and priorities.
- Continue delivering new morgues and upgrade existing morgues in remote communities.
- Ensure \$23 million of capital projects are rolled out by Indigenous Essential Services to maximise the use of local business and local employment.
- Undertake an independent review of 43 town camps that will provide comprehensive information to residents, lease holders, landlords and government to enable informed place-based decision making.

## LOCAL GOVERNMENT

- Strengthen local authorities, community engagement and local decision making capacity in remote communities.
- Develop new legislation for cemeteries and crematoria.
- Develop new local government legislation to provide a robust regulatory framework.
- Continue to support the local government sector in financial, governance and administrative practices in the context of legislative and regulatory requirements.
- Deliver training and provide online support to improve public service engagement and coordination in remote Aboriginal communities.

## LANGUAGE SERVICES

- Pilot the provision of Aboriginal interpreting services via telephone and audio visual interpreting to provide on-demand interpreters, starting with seven languages and potentially expanding to cover all major languages.
- Develop on-line training resources for increased access to professional development.
- Re-engineer workflows and procedures and modify systems to support more efficient business practices.
- Expand the capabilities of the interpreter voice-over recordings for audio and video campaigns to improve access to key government and private sector messaging in language.

## BUSINESS SERVICES

- Increase workplace safety relating to remote travel by promoting the effective use of recently installed in-vehicle tracking devices.
- Implement financial and budget management of the information technology (IT) system to increase transparency of divisional and branch budgets and financial tracking.
- Expand electronic record management capacity through training, promotion and improved records management systems.
- Develop human resource development strategies focusing on addressing identified skills gaps.

## OFFICE OF ABORIGINAL AFFAIRS

- Continue to empower Aboriginal people to actively participate in the Northern Territory economy, while supporting cultural maintenance and connections to land, language and culture.
- Lead whole of government coordination of Aboriginal affairs through the Aboriginal Affairs Strategy.
- Continue to grow the Community Champion Program to ensure long-term economic development opportunities are created across the regions.
- Expand the First Circles emerging leaders program to encourage and support remote community leaders to achieve their personal, community and government aspirations.
- Ongoing collaboration across the sector to ensure that economic development opportunities and employment is kept at the forefront of the Northern Territory Government's core business.

## WOMEN'S AND MEN'S POLICY AND DOMESTIC VIOLENCE SERVICES

- Bedding down the new division and looking at better ways to integrate service delivery.
- Development of the Northern Territory Sexual Assault Prevention and Response Strategy.
- Development of the Northern Territory Domestic and Family Violence Prevention Strategy.
- Implementation of recommendations resulting from the evaluation of the 'Safety is Everyone's Right Strategy'.
- Under the National Plan to Reduce Violence against Women and Children 2010-2022, co-chair with South Australia the National Working Group for Aboriginal and Torres Strait Islander Women and their Children.

*\* This new division joined the department on 1 July 2016.*

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Outlines performance and outputs against Budget Paper No.3 during the 2015-16 financial year.

# LANGUAGE SERVICES

## ABORIGINAL INTERPRETER SERVICE

The Aboriginal Interpreter Service (AIS) provides effective cross-cultural communication between service providers and Aboriginal people who do not speak English as a first language.

The Aboriginal Interpreter Service was established in April 2000 through a joint agreement between the Australian and Northern Territory governments.

There are about 35 000 Aboriginal people in the Northern Territory that speak an Indigenous language at home. AIS provides 24-hour booking service for interpreters and operates from offices across the Northern Territory, including Darwin, Alice Springs, Katherine, Tennant Creek, Wadeye, Nhulunbuy, Groote Eylandt and Wurrumiyanga.

## THE AIS

One of the **largest** employers of Aboriginal people in Australia, employing about **300 registered interpreters** to deliver its service across the Northern Territory.

**Supported** communication between service providers and Aboriginal Territorians through **4384 individual interpreting jobs**, completing a total of **32 434 hours interpreting.**

Delivered **91** interpreter training sessions involving

**1047 participants** from Australian and Northern Territory governments and non-government organisations.

## Police Caution in Aboriginal Languages

An Aboriginal Interpreter Service initiative to improve how police deliver cautions to Aboriginal people was recognised with a Fitzgerald Justice Award in the 2015 NT Human Rights Awards.

The four-year project has interpreted two police cautions into 21 Aboriginal languages through an application that can be used on an iPad. Police are able to show the iPad to the Indigenous person so they can indicate where they are from on a map of the Northern Territory. The appropriate caution is then read out in the person's local language so they understand the caution, with English subtitles for police to keep track of what is being said.

The police caution application is being used daily by police officers across the Northern Territory and was put together with help from police, linguists, interpreters, the Department of Attorney-General and local lawyers so it can be certified as evidence in court. The male and female interpreters' voices used on the police caution recordings are altered so the person cannot be recognised.

The recordings are only two to three minutes long and are a practical and easy tool for people to use, and there are two versions for 'In Custody' and 'Not in Custody'. The Fitzgerald Justice Award is the first Human Rights Award for AIS.

## Aboriginal English Legal Dictionary

The department launched a plain English legal dictionary at the second Northern Territory Language and the Law Conference in August 2015.

Over four years in the making, the project was a collaboration between the Aboriginal Interpreter Service, Aboriginal Resource and Development Services and the North Australian Aboriginal Justice Agency (NAAJA).

The dictionary defines Northern Territory criminal law terms, providing definitions that will be relatively easy to interpret into Aboriginal languages, and is the first project of its kind in Australia.



Legal English can be challenging for people who speak English as a first language, and the added complexities of translating legal terms and concepts into Aboriginal languages means that there can be difficulties in communicating legal terms in a way that Aboriginal speakers understand clearly.

The plain English legal dictionary is a very useful tool for people involved in interpreting and explaining English legal terms in the justice system, victims, witnesses and defendants who speak an Aboriginal language as their main language, as well as lawyers, Aboriginal interpreters, judges, magistrates, prosecutors and police.

The dictionary is a significant resource for Aboriginal interpreters working in the legal system. It is invaluable for other court users as it uses plain English, which can be readily transferred into a range of other languages. The electronic version of the dictionary is fully interactive, and includes cross-references, photos, legal categories and narrative stories to illustrate concepts.

About 65 per cent of Aboriginal Territorians speak an Aboriginal language at home. In addition, 85 per cent of the prison population in the Northern Territory is Aboriginal and more than 50 per cent speak an Aboriginal language as their primary language.

The project was shortlisted for the NT Chief Minister's Awards for Excellence in the Public Sector in 2016.

### Testimonial

*"NAAJA is extremely pleased to be part of this ground-breaking collaboration. This important resource explains frequently used criminal law concepts and terms and will be enormously valuable for our lawyers, as well as all legal professionals working with speakers of Aboriginal languages."* – Priscilla Collins, CEO of NAAJA

### ABC news radio bulletins

The Aboriginal Interpreter Service continued recording daily news bulletins for ABC Radio in Yolngu Matha and Warlpiri, and added a third language – Kriol – to provide coverage for Aboriginal people mainly living in the Katherine and Big Rivers region.

The project allows Aboriginal residents of remote communities to hear bulletins in an Aboriginal language on a daily basis. The broadcasts have been picked up by Yolngu Radio and are broadcast across large areas of East Arnhem, four times a day.

The program exposes Aboriginal people in remote and regional areas to global information and includes a range of local, national and international stories, empowering people by giving them information in their own language.

### Re-negotiated Cross Border Program

The Aboriginal Interpreter Service continued to promote and develop interpreting services in South Australia and Western Australia through its Cross-Border Program, which is funded by the Department of Prime Minister and Cabinet throughout 2015–16.

There are now 24 Aboriginal interpreters employed through this program, and ongoing recruitment, training and professional development of these interpreters will provide an essential service to Aboriginal people in these regions who require help to communicate in legal, health and welfare environments.

As part of this program, AIS completed a total of 122 interpreting jobs in the APY Lands and NPY Lands.

### Testimonial

*"AIS interpreters provide a valuable service which enables children to speak in their first language, providing a greater level of engagement with children."* – Client, APY Lands

## AIS hit IndgiTUBE big time

The Aboriginal Interpreter Service was awarded Most Popular Video on IndgiTUBE for 2015, with more than 6100 views. The winning video entitled 'You understand, don't you?' is a reverse role-play in Djambarrpuyngu (Yolngu Matha), which highlights the communication challenges faced by Aboriginal interpreters and Aboriginal defendants when moving through the legal and court systems of Australia.

The video was filmed at the Northern Territory Supreme Court in Darwin in 2012 as part of the Language and the Law conference and features

interpreters from the service, along with the former Honourable Justice Dean Mildren.

The award was presented at the 17th National Remote Indigenous Media Festival in Lajamanu in October 2015. The annual festival is organised and hosted by the Indigenous Remote Communications Association.

The AIS recently filmed Part 2 of the role-play in Pintupi-Luritja at the 2015 Language and the Law Conference II.



AIS staff with the ICTV Video Awards 'Most Popular Video on IndgiTUBE' award for 2015.

## INTERPRETING AND TRANSLATING SERVICE NT

The Interpreting and Translating Service of the Northern Territory has been in operation since 1987.

The service helps government and non-government agencies improve access to their programs and services by providing an effective and efficient on site interpreting and translating service.

The service, wherever possible, uses interpreters and translators with accreditation obtained from the National Accreditation Authority for Translators and Interpreters. For some languages that are new to Australia, interpreters or translators have not yet been accredited but must pass a language assessment before being employed with the service.

In 2015-16 the service completed  
**2358** interpreting assignments in  
**39** different languages and  
**694** translations into  
**36** different languages.

# OUR PEOPLE

## Colleen wins Chief Minister's Award for Excellence in Indigenous Leadership

After 16 years of working with the Aboriginal Interpreter Service (AIS), Director Colleen Rosas was proud to receive a Chief Minister's Award for Excellence in Indigenous Leadership.

Colleen was awarded this inaugural Indigenous Leadership Medal for her role in establishing the service, and says the entire AIS deserves the acknowledgement.

Now the Director, Colleen started working at the service in 2000 when it was a fledgling operation with only two staff and six interpreters.

The service now has more than 300 registered casual interpreters and 95 per cent of its 50 full and part time employees are Indigenous.

"I am proud to get to this stage, there are a lot of people involved in the service and a lot of people in the community who benefit," Colleen said.

"The service was established in an environment when there was not a lot of acknowledgement of Aboriginal languages, and we still have challenges today but we are very proud of how we have grown."

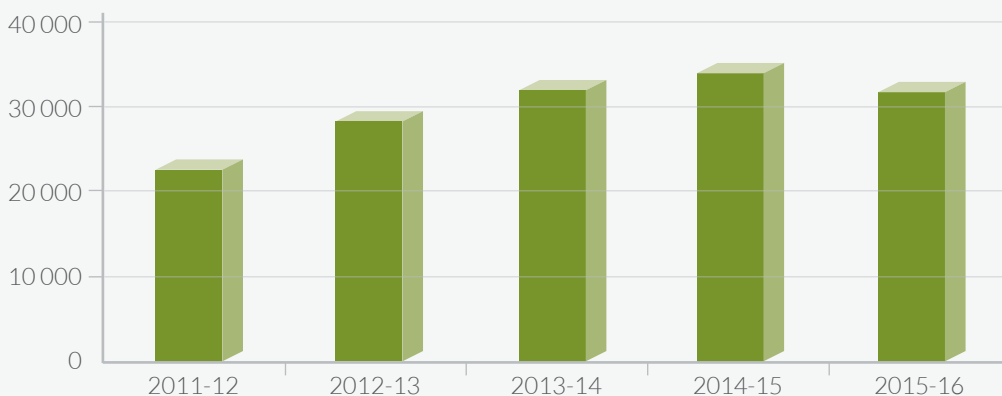
Colleen said she is especially proud that the service still employs interpreters that began with the organisation



when it was created 16 years ago. She attributes the success of the service to the fact it operates like a community-based organisation, while still being an arm of government.

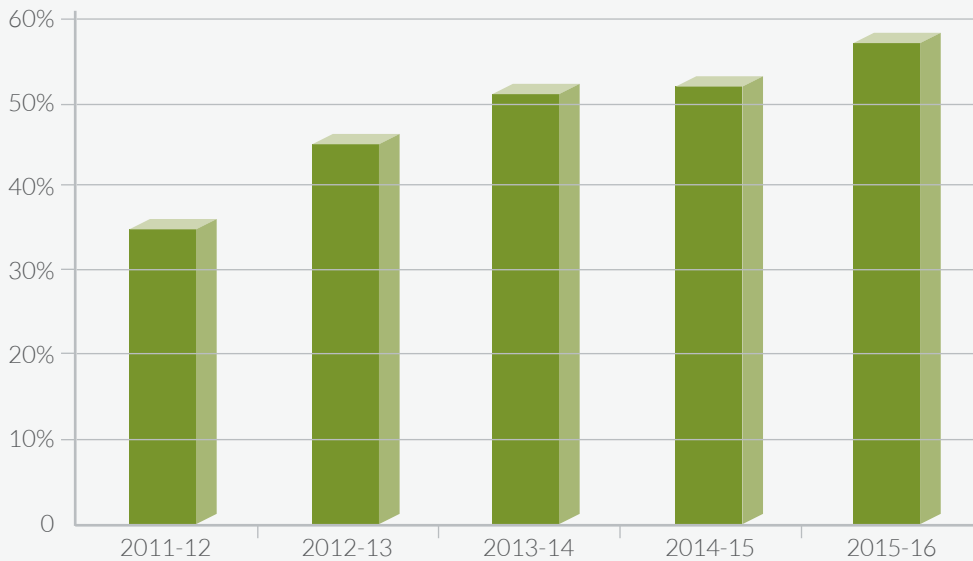
"We have ownership from the community, who get behind the service and we are all part of one team," she said. "There is so much respect now for the role of interpreters and we get requests across government and the non-government sector."

**Aboriginal Interpreter Service  
Hours of interpreting for past 5 years**



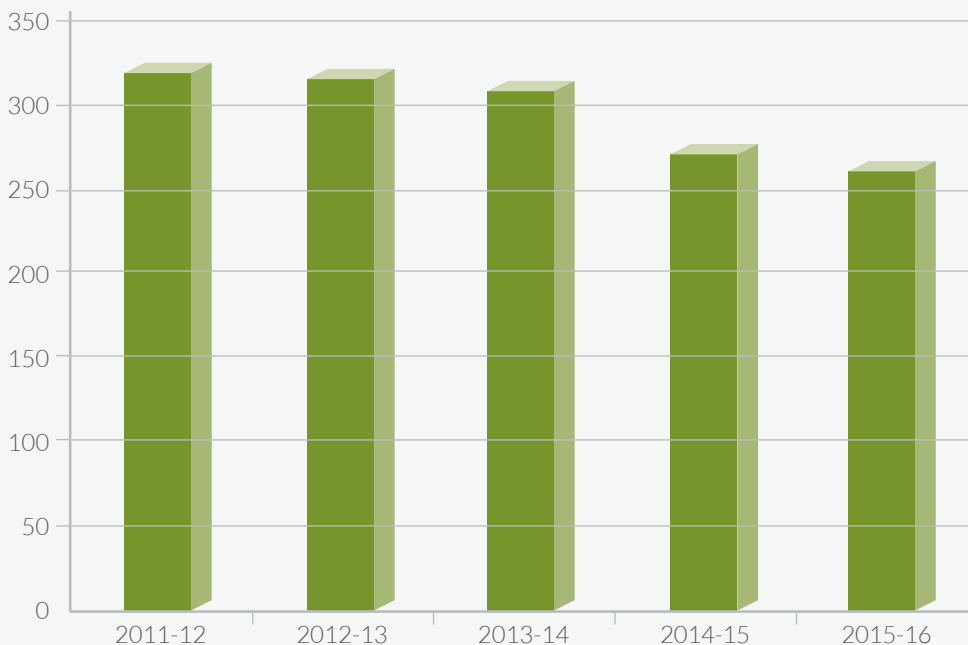
The small decrease in interpreting hours in 2015-16 is likely to be the result of improved data collection methodologies, which more accurately capture the hours of actual interpreting.

### Aboriginal Interpreter Service % of Qualified Interpreting for past 5 years



Qualified interpreting is identified as the interpreting being completed by an interpreter with a Diploma of Interpreting and/or National Accreditation Authority for Translators and Interpreters (NAATI) Accreditation.

### Aboriginal Interpreter Service Individual Interpreters Employed per year



The reducing number of interpreters employed, matched with the increasing hours of interpreting completed, reflects the move towards staff interpreters undertaken additional interpreting jobs and an increasing focus on a smaller pool of more highly qualified interpreters.

## Financial Performance

Output Group/Output	2014-15 Actual	2015-16 Budget	2015-16 Actual
	\$000	\$000	\$000
Language Services	9 454	9 608	8 931

### Key Language Services Financial Variations

1. The difference between the 2015-16 Budget and Estimate principally results from approval to carry forward funding that was unspent in 2014-15 and then carried forward to 2015-16
2. The Language Services expenditure for the 2015-16 year was below the approved budget by close to \$700,000 and it is planned to carry forward some or all of this funding to 2016-17 with appropriate approvals.

## Key Performance Indicators

Key Deliverables	2014-15 Actual	2015-16 Budget	2015-16 Actual
<b>Aboriginal Interpreter Service</b>			
Hours of interpreting	34 242	26 000	32 434
Interpreters employed	271	232	260
NAATI accredited interpreters	139	159	143
Languages interpreted <sup>1</sup>	35	86	35
<b>Interpreting and Translating Service NT</b>			
Hours of Interpreting <sup>2</sup>	5 218	4 000	4 655
Translating assignments completed	943	800	940
Northern Territory interpreters and translators employed <sup>3</sup>	117	200	104
Languages interpreted and translated <sup>4</sup>	67	123	57

### Key Language Services Performance Variations

1. There was an error in Budget Paper #3, with the budget of "86" languages interpreted actually being the expected number of languages able to be interpreted. The number of languages that were actually interpreted in 2014-15 was 35 and again in 2015-16.
2. Demand for face-to-face ethnic language interpreting has been declining in the Northern Territory but not at the rate that was forecast.
3. There was an error in Budget Paper #3, with the budget of "200" being the total number of interpreters and translators, which includes a number of interstate based translation companies that do not need to be reported.
4. There was an error in Budget Paper #3, with the budget of "123" languages interpreted and translated actually being the number of languages able to be interpreted or translated. The number of languages that were actually interpreted and translated in 2014-15 was 67 and in 2015-16 was 57.



# LOCAL GOVERNMENT

The Local Government division is responsible for developing and regulating local government in the Northern Territory.

Services provided to support and help improve local government performance and sustainability include:

- strategic advice and assessment of regional issues
- coordinating government support to councils and local authorities
- legislation and policy
- monitoring and advice on service delivery, financial management and operational issues
- administration of grants to councils
- administering local government legislative requirements.

There are three output areas with the Local Government Division – Legislation and Policy, Sustainability and Compliance, and Strategic Projects and Regions.

## LEGISLATION AND POLICY

Legislation and Policy ensures there are relevant and effective governance frameworks for councils established under the *Local Government Act*. It also covers administration of related legislation that is the department's responsibility under the Administrative Arrangements Order, such as the *Cemeteries Act*.



### *Local Government Act* review

In 2015–16, the department successfully established meetings and consolidated recommendations of the Local Government Working Party for the review of the *Local Government Act*.

The *Local Government Act* sets out the legislative framework for local government councils in the Northern Territory and has been operating since 2008. It is being reviewed to ensure the legislation is effective and up to date.

The process has been progressive, collaborative and rigorous, involving experienced people representing the local government sector, including regional and municipal councils, elected members and chief executive officers.

After 18 months of research and consultation, a *Local Government Act* consultation paper was released and advertised for public feedback across the Northern Territory in April 2016. Key topics of the consultation paper included representation reviews, conflict of interest, council meetings, code of conduct, training of elected members, offences and the accounting regulations.

A new Act will be developed after submissions have been fully considered.





Local Authority funding used for new shade at Barunga

## Review of the *Cemeteries Act*

The department has completed a full review of the cemeteries legislation in the Northern Territory, following two rounds of consultation. The review considered an innovative approach to cemetery legislation to give appropriate legal recognition to cemeteries on Aboriginal land.

The *Cemeteries Act* regulates the establishment, maintenance and control of cemeteries and the time, manner and place of burials, cremations and exhumations in the Northern Territory. The *Cemeteries Regulations* cover administrative matters such as keeping registers, burial times, depth of graves and visiting hours.

It is proposed that the new legislation be drafted to include:

- new categories for cemeteries in the Northern Territory, including legitimising cemeteries on Aboriginal land
- minimum standards for cemetery management
- burial depths
- contemporary burial practices
- cremations.

The department will hold information sessions for local government councils, local authorities, land councils and funeral services providers.

## SUSTAINABILITY AND COMPLIANCE

Sustainability and Compliance is responsible for conducting compliance reviews, managing the payment and acquittal of local government grants and supporting and monitoring sustainability of the local government sector.

### Compliance Reviews

The department administers a program of compliance reviews for councils as required by the *Local Government Act* to ensure councils are conducting their business lawfully. All councils are subject to a compliance review at least once in every three years. Compliance reviews are undertaken by local government inspectors.

- In 2015–16, the department conducted a compliance review on the Alice Springs Town Council, Central Desert Regional Council, Victoria Daly Regional Council, Katherine Town Council and the City of Palmerston.

- A compliance review of CouncilBIZ, a regional council subsidiary, was undertaken in September 2015. On conclusion of the review, 21 issues were identified which required further attention by its members. Due to the serious nature of six of the issues, these were required under the *Public Interest Disclosure Act (NT)* to be referred to the Office of the Commissioner for Public Interest Disclosures for further scrutiny.

## Local Government Grants Management

During the year, a total of \$78.4 million in grants was issued to the local government sector. Highlights included:

- In 2015–16, the timing of payments for the Northern Territory Operational Subsidy was brought forward from August to July to inject cash into regional councils as early in the financial year as possible so councils could take advantage of additional interest income earned on its balances.
- During the year a budget assistance grant of \$2.45 million was paid to the Victoria Daly Regional Council and \$700 000 to the West Daly Regional Council to support the cost of their operations and ensure local government services continued to be delivered in both councils' respective communities.
- Following the dismissal of suspended members of the Litchfield Council by the Minister for Local Government, a general election was held in November 2015, and in early December five new members elected. A new Chief Executive Officer started at the Council in mid-January 2016. Grant funding of \$50 000 was offered to the council to support the cost of the general election and to fund a two day governance training session through the Australian Institute of Company Directors for the newly elected members.
- A grant of \$100 000 was provided to the MacDonnell Regional Council to help fund a two year tree planting and re-vegetation program throughout the council's 13 communities.

## Local Government Sustainability

Supporting and monitoring sustainability of the local government sector aims to provide a robust framework for councils to have the appropriate governance and business skills to manage and maintain services, govern expenditure and preserve assets. Highlights included:

- In 2015–16, the department issued eight generic procurement exemptions aimed at providing administrative efficiencies and reduce the cost of councils having to go to tender.
- A sector-wide model financial statement template was issued to improve consistency in financial reporting and reduce compliance and audit costs.
- A paper on reporting a generic set of key performance indicators was circulated to the sector for further development in 2016–17.
- The department has a three-year funding agreement with the Local Government Association of the Northern Territory (LGANT). Under this agreement, LGANT delivered the following activities:
  - governance training for elected members and local authority members
  - financial management training to Tiwi Islands Regional Council elected members and key personnel, including the Chief Executive Officer
  - procurement training for council staff
  - rates workshop
  - by-laws project
  - coordinating the production of a by-elections manual.

# OUR PEOPLE

## Abdus enjoys 36 years in job

After 36 years of living and working in the Northern Territory, Abdus Sattar has visited almost all remote communities within the nine regional councils across the Northern Territory.

Meeting different people and helping local government councils to function is what Abdus Sattar finds most rewarding about his job as Team Leader Compliance with the Local Government Division of the Department of Local Government and Community Services.

Abdus' role involves monitoring local councils' financial positions and providing advice and support for compliance with statutory reporting requirements. While the job involves reviewing annual reports, financial statements, council plans and monitoring compliance, it is also about meeting council staff in their own community to see what difference his advice is making on the ground.

"We usually visit the council office in a regional centre and then choose a community to visit to see if it is tidy, garbage is taken care of and that occupational health and safety is being followed," he said. "I enjoy meeting different people and going out to the communities to visit them."

Abdus has been in his role as Team Leader Compliance since 2015 after joining the department as Manager Local Government Finance with the Local Government Division in 2007. He was a valuable contributor to the



local government reform process in 2008 and during his time with the department has achieved success in:

- developing funding models for distributing Australian Government financial assistance and Northern Territory operational grants
- participating in amending local government legislation
- helping to establish the Local Government Accounting Advisory Committee
- conducting complex compliance reviews of local government bodies.

Abdus credits his great working environment as one of the best parts of living in the Northern Territory, along with his family, who moved to Darwin from his home country of Bangladesh.

After working all over Australia in a former job with Centrelink, Abdus said he loves the casual lifestyle and easy living in Darwin over other crowded cities. Coupled with the chance to see some of the most amazing places around the Northern Territory while working, there is nowhere else he would rather be.

## STRATEGIC PROJECTS AND REGIONS

Strategic Projects and Regions output plays a crucial role in implementing reforms in regional and remote communities. The department is committed to delivering engaged and supported regional government.

Local authorities were established in 63 remote communities following a critical concern raised by Territorians living in regional and remote areas that they felt they had 'lost their voice' in local government service delivery. In delivering a stronger local voice, local authorities are directly involved in the development of regional councils' annual plans and budgets and local priority projects.

Local authorities are allocated \$5 million per year in grant funding for local priority projects across the Territory. The projects are determined by each local authority to reflect local needs as identified by the community and within their relevant budget allocations, are submitted to the regional council to action.

Local authority project funding has been used for a range of small and large projects including solar street lighting, public toilets, playgrounds, water parks, shade structures, sporting ground upgrades, sporting uniforms and local recreational facilities.



## Stronger and greater

Two Local Authority Snapshot Surveys were conducted in 2015–16 and showed that local authorities are delivering on their objectives to provide a stronger local voice for their community and greater accountability for service delivery.

## \$4.6 million completed

Since their inception in July 2014, \$4.6 million of Local Authority Projects have been completed as at 30 June 2016 and a further \$4.4 million committed for further projects from 2014–15 and 2015–16 funding.

## 84 per cent attendance

Department staff attended 241 out of 287 successful local authority meetings held in remote communities in 2015–16, with the 84 per cent attendance exceeding the target of 80 per cent.

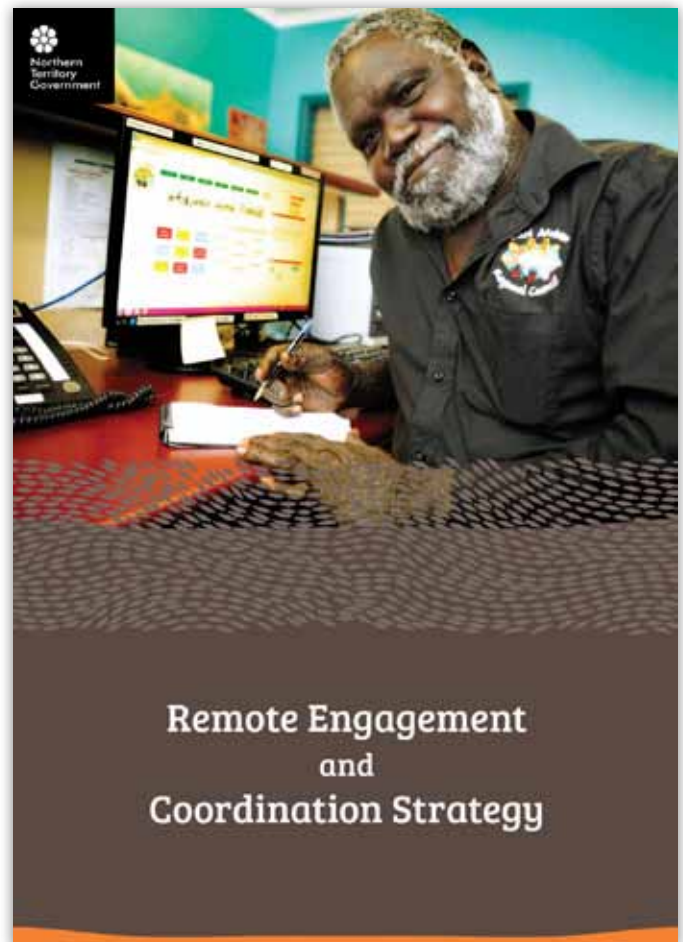
## Remote Engagement and Coordination Strategy

An innovative new way of engaging with remote communities across the Northern Territory was launched by the department in October 2015.

A first of its kind in Australia, the Remote Engagement and Coordination Strategy is a strategy on how to engage with Aboriginal people in remote communities using two-way communication and a draft online tool kit.

The strategy was developed by an inter-agency working group, which included elected members of regional councils, Indigenous engagement specialists from Charles Darwin University and Northern Territory Government agencies.

A key element is induction and professional learning to get public servants 'bush ready' with two day training workshops to introduce staff working in remote communities. The workshops were delivered by the International Association for Public Participation in collaboration with the department's Aboriginal Interpreter Service.



## Financial Performance

Output Group/Output	2014-15 Actual	2015-16 Budget	2015-16 Actual
	\$000	\$000	\$000
<b>Local Government and Regions</b>	<b>100 465</b>	<b>89 049</b>	<b>91 650</b>
Policy and Legislation	3 852	831	1 574
Sustainability and Compliance	50 074	82 510	86 097
Strategic Projects and Regions	46 539	5 708	3 979

### Key Local Government Financial Variations

The variations reflect carried forward funds approved to be spent in 2014-15 and the realignment of grant programs between the Strategic Project and Regions output and the Sustainability and Compliance output, and additional funding for repairs and maintenance of streetlights.

## Key Performance Indicators

	2014-15 Actual	2015-16 Budget	2015-16 Actual
<b>Local Government and Regions</b>			
<b>Policy and Legislation</b>			
Legislation updated according to Government's directions within specified timeframe *		100%	100%
<b>Sustainability and Compliance</b>			
Percentage of grants and subsidies acquitted to the department	86%	>80%	92%
Compliance reviews completed	4	4	6
Sustainability documents produced for the local government sector	6	6	6
<b>Strategic Projects and Regions</b>			
Proportion of Local Authority Meetings attended by staff*		>80%	92%
Stakeholder satisfaction on local government support from the agency	90%	>80%	90%

Notes:

\* The department revised its key performance indicator measures in Budget 2015 to better reflect deliverable outcome with the new measures published in Budget 2016.

# OFFICE OF ABORIGINAL AFFAIRS

The Department of Local Government and Community Services set up the Office of Aboriginal Affairs (OAA) in September 2015 to deliver the Northern Territory Government's Aboriginal Affairs Strategy.

The strategy is aligned with the four goals of the Northern Territory Government's *Framing the Future* strategy to provide an integrated and coordinated approach to service delivery, program and policy development, and future investment responses by government.

The unit has 25 staff and is based in Alice Springs, with staff in Darwin and Tennant Creek. More than 50 per cent of the staff are Indigenous.

The Office of Aboriginal Affairs focuses on economic development and job creation in remote and regional areas and incorporates the Community Champions and First Circles Engagement Initiative for emerging leaders programs.

The office oversees the Remote Contracting Policy with the Department of Business and Remote Aboriginal Economic Development.

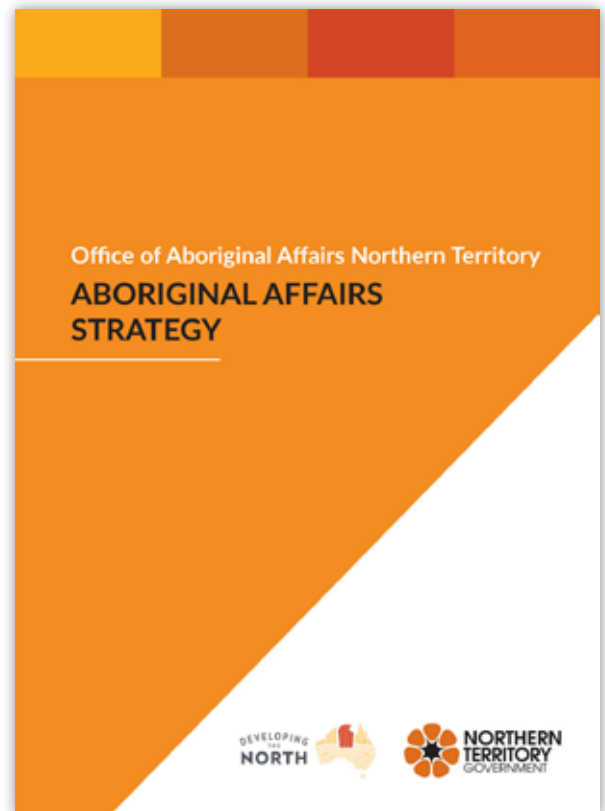
## ABORIGINAL AFFAIRS STRATEGY

The Aboriginal Affairs Strategy will build an enabling environment for economic development in remote and regional communities in the Northern Territory through infrastructure investment in power, water, sewerage, telecommunications and transport.

Five-year infrastructure investment pipelines are being developed for 73 communities to help them prepare for business development and employment opportunities. The integral link between economic and cultural success is through local Aboriginal people gaining access to and participating in a local economy.

The Aboriginal Affairs Monitoring, Evaluation and Reporting Framework establishes a government wide approach to monitoring and reporting on achieving targets to improve Aboriginal employment and capacity. It was established to introduce the highest levels of transparency and accountability for better coordination of Indigenous policies across the Northern Territory.

The framework sets down 33 key performance indicators (KPIs) across all government departments, which are reported on every six months to Cabinet. The KPIs are different according to each department, such as NAPLAN results for the Department of Education, Indigenous employment for the Department of Infrastructure and health outcomes for the Department of Health.



The KPIs deliver on the four strategic goals of Framing the Future:

- prosperous economy
- strong society
- balanced environment
- confident culture.

A progress report will be delivered to Cabinet twice a year to monitor the progress of departments.



Department of Infrastructure's Indigenous Employment Provisional Sum initiative has delivered

**800 new jobs**

for Aboriginal people in 2015–16.

NT Government is investing

**\$1.3 billion** of

infrastructure into remote communities.

**\$350 million** will be

invested in housing in remote communities to improve employment and training opportunities.

**\$10 million** in funding has been announced by Australian and Northern Territory governments for new housing and infrastructure in Mutitjulu, in Central Australia.

## COMMUNITY CHAMPIONS

The Northern Territory Government has invested \$18 million to support remote community economic development over the next three years through the Community Champions project.

The Community Champions Program ensures local voices are heard at the highest level of government in identified communities or regions.

The communities and districts identified for the program including the Yulara district (including Imanpa, Mutitjulu and Docker River), Hermannsburg, Yuendumu, Utopia, Lajamanu, Borroloola, Wadeye, Tiwi, Ngukurr, Numbulwar, Galiwinku, Maningrida, Gunbalanya, Milingimbi, Ramingining, Groote Eylandt and Wadeye.

Each community is assigned a Chief Executive and a Community Champion Development Officer to identify priority projects that will be funded by the Community Champion Grants program. These will form part of a five-year infrastructure investment plan for each community and allows for grants to be evenly distributed among the identified communities.

In 2015–16, \$2.317 million was invested in remote communities through the program.



# OUR PEOPLE

## *Jeanie loves her ideal job*

*Jeanie Govan has found her ideal job as a Community Champion Development and Liaison Officer with the Department of Local Government and Community Services' Office of Aboriginal Affairs.*

*Starting in the position in April 2016, Jeanie is passionate about her job because it increases development opportunities by listening to and supporting economic development aspirations identified by remote and regional Aboriginal communities.*

*Jeanie has already visited her nominated communities of Ngukurr and Numbulwar a number of times, including with the Community Champion, Michael Tennant, who is the Chief Executive of Department of Business.*

*The Northern Territory Government committed \$18 million over three years to support remote community economic development through the Community Champions program. Jeanie's role is to help facilitate and coordinate community projects through two funding streams – Community Champions and the Remote Aboriginal Economic Development Fund.*

*As part of the program, Jeanie has helped finalise a funding grant to refurbish existing accommodation at Ngukurr into worker's accommodation due to housing shortages in communities. She has also provided assistance for the future expansion of the Yugul Mangi Aboriginal Development Corporation to grow their business. Yugul Mangi is extremely busy with civil and construction work in Ngukurr and the wider Roper River region and has the capacity to expand their economic development projects. Jeanie is also working on several economic development projects with Numbulwar.*

*Jeanie, who grew up in the Katherine region, recently completed a Masters in Urban and Regional Planning so she could pursue her interest in assisting Aboriginal communities to develop their communities by exploring the Aboriginal perspectives and understanding of town planning. She recently started her PhD on development in Aboriginal communities.*



*Jeanie said she is enjoying re-familiarising herself with the communities, working closely with the Department of Business, attending community and local authority meetings, and helping to spread the word about the Community Champion and Remote Aboriginal Economic Development Funding programs.*

*"They are both great programs as it is important that remote Aboriginal communities are able to identify how they wish to pursue economic development that contributes to local Aboriginal employment that then delivers positive impacts within communities," Jeanie said. "Our team has been telling people about it at the Barunga festival, listening to what people are doing at economic development workshops and talking to the local health clinics, regional shires and schools when we visit our communities."*

## FIRST CIRCLES ENGAGEMENT

The First Circles Engagement initiative includes up to 30 members from across the Northern Territory.

The program concentrates on engaging with future Aboriginal leaders to provide input into policies and programs, which affect the lives of people and families in the Northern Territory. The First Circles founding members include 15 people from the Barkly, MacDonnell and Central Desert regions and 15 from the Tiwi Islands, Victoria Daly, East Arnhem and Roper Gulf regions.

The members will engage directly with the community, Northern Territory Government Ministers and Cabinet by:

- being involved in community activities
- liaising with community members
- participating in community projects and policy development
- working with Northern Territory Government and local authorities to help coordinate projects and support policies
- attending and actively participating in Cabinet meetings
- identifying priority community projects for infrastructure investment.

## REMOTE CONTRACTING POLICY

The Office of Aboriginal Affairs is working with the Department of Infrastructure and Department of Business to increase opportunities for Aboriginal people and businesses to win government contracts in their remote communities.

The Remote Contracting Policy is aimed at:

- setting employment and business development targets for local businesses in remote communities
- implementing new contract planning requirements as five-year investment plans for communities
- providing professional services to support local Aboriginal businesses.

**The policy requires 70 per cent of all contracts for civil and construction projects under \$5 million in remote Aboriginal communities to go to local businesses by 2017.**

The Office of Aboriginal Affairs' role is to direct contracts towards local Aboriginal businesses through open and select tender or through open tender with joint venture requirements.

The department is continuing to consult with external stakeholders to evaluate the policy.



*Asbestos Training in Remote Communities*

## Financial Performance

Output Group/Output	2014-15 Actual	2015-16 Budget	2015-16 Actual
	\$000	\$000	\$000
<b>Office of Aboriginal Affairs</b>	<b>2 509</b>	<b>15 296</b>	<b>10 124</b>
Office of Aboriginal Affairs	553	5 102	4 722
Aboriginal Advancement	1 117	3 098	1 474
Community Champions	839	7 096	3 928

### Key Office of Aboriginal Affairs Financial Variations

The increase in the 2015-16 Budget for the Office of Aboriginal Affairs Output Group, when compared to the 2014-15 Actual, is mainly due to funding carried forward from prior year and additional funding for bakeries in remote communities. The variance between the 2015-16 budget and 2015-16 Actual is mainly due to the revised timing of expenditure commitments relating to bakeries.

## Key Performance Indicators

	2014-15 Actual	2015-16 Budget	2015-16 Actual
<b>Office of Aboriginal Affairs</b>			
<b>Office of Aboriginal Affairs</b>			
Aboriginal Affairs, Procurement and Remote Economic Development Framework Policy completed within specified timeframe *		100%	100%
<b>Aboriginal Advancement</b>			
Number of First Circles meetings supported	5	6	6
Indigenous Economic Developments Grants administered**		\$2M	\$2.2M
<b>Community Champions</b>			
Number of communities championed**		13	13
Community Champions grants administered**		\$3.25M	\$2.23M

#### Notes:

Measures commenced and completed in 2015-16.

Measures commenced in 2015-16.



# STRATEGY AND COMMUNITY SERVICE

## INDIGENOUS ESSENTIAL SERVICES

Indigenous Essential Services coordinates funding and provides strategic planning and policy advice on delivering electricity, water and sewerage services in 72 remote Indigenous communities and 66 nearby homelands.

Services are funded by the annual Indigenous Essential Services Grant and by revenue raised from the sale of electricity, water and providing sewerage services. In 2015–16 the total value of the Indigenous Essential Services program, including the grant and revenue from sales is estimated at \$114 million.

The services are delivered under contract by Indigenous Essential Services Pty Ltd – a subsidiary of Power and Water.

### Cleaning up energy supplies

#### *Prepayment meters*

Residents in six remote communities now have better access to electrical services with an improved prepayment system that will make prepayment cards obsolete.

Previously residents needed to buy prepayment cards to pay for their electricity, but new prepayment smarter meters have been installed in the communities to enable residents to prepay for electricity using their phones. This allows residents 24 hour access to the payment system when previously they had to buy the cards at the local store.

A total of 993 new prepayment smart meters have been installed at Nauiyu, Wadeye, Milingimbi, Wurrumiyanga, Milikapiti and Pirlangimpi to make it easier for residents to pay their power bills.

#### *Solar SETuP*

The Department of Local Government and Community Services has set up a long-term strategy to install diesel solar hybrid technology facilities in more than 30 remote communities across the Northern Territory.

Under the Solar SETuP, the Northern Territory and Australian governments are investing \$55 million into remote community electricity supplies. The target is to reduce diesel consumption by 15 per cent and save about three million litres of diesel per year over the 25-year life of the program.

As part of the program the department completed the \$12.5 million Manymak Energy Efficiency program in December 2015 to help more than 400 households reduce daily power usage in East Arnhem communities. The program saw 93 locally employed Aboriginal energy workers deliver energy efficiency education to residents, which resulted in many households receiving energy efficient retrofits.



## Asbestos Removal Program

The department continues to deliver on a three year Asbestos Removal Program to assess and remove 'medium risk' asbestos containing material from non-NT Government buildings throughout the Northern Territory.

The program is being delivered through \$19.5 million funding from the Australian Government.

The department has engaged consultants to project manage the program, which involves training and employment for local Indigenous people to remove asbestos in the communities. As part of the training, 38 Indigenous women received White Card construction training.

So far 240 Indigenous men and women have received nationally accredited training as part of the asbestos removal program in their communities.

Asbestos removal and remediation works were due to be completed in the remote Central Australian communities of Amoonguna, Finke and Santa Teresa by mid-2016.

As part of the program, the Milingimbi Outstation Progress Resource Association (MOPRA) mechanical workshop was rebuilt and upgraded after it was damaged by two cyclones in 2015. Earmarked for the removal of 'medium risk asbestos' and one of only two mechanical workshops servicing the community, a working group was established to fast-track the asbestos removal and rebuild the workshop.

The project, which was expanded to include designated areas for mechanical areas, as well as electrical, plumbing and a welding bay, was fast tracked with the help of the local Crocodile Rangers,

who provided labour. The collaboration between the department, MOPRA and rangers saw the workshop rebuilt and upgraded within 12 months to provide future services as well as training and employment opportunities to the local community.

### Testimonial:

*"Thankyou so very, very much for all your help here. From an almost derelict building it is now a functional and integral building to complement the growth of MOPRA."* – **Lynne Linfield, Administrator of Milingimbi Outstations & Resource Association Inc**

## HIGHLIGHTS

**73** remote communities have been assessed for asbestos.

'medium risk' asbestos has been removed and remediation works completed in **44** communities across the Northern Territory.

**27 000** square metres of material containing asbestos was removed from public owned assets.

## REMOTE INFRASTRUCTURE COORDINATION

The Department of Local Government and Community Services coordinates and supports the planning and delivery of infrastructure and capital works in remote communities across the Northern Territory, which is also aimed to maximise Indigenous employment outcomes.

The department negotiated leases over parcels of land occupied by Northern Territory Government infrastructure in remote communities across the Northern Territory. New infrastructure projects are

monitored to make sure planned developments have adequate essential services capacity and that leases are secured to underpin investment.

### Remote land administration model

A planning blueprint is being created for remote minor communities in the Northern Territory to create development ready communities that complement community aspirations and guide future investment and home ownership.



This initiative will complement the significant progress made to date, which includes template leases for government use, an agreed lease payment methodology and the preparation of community cadastre survey plans. This work will help drive the land market and is the most significant advancement in Aboriginal land rights since the grant of Aboriginal land as inalienable freehold.

The Department of Local Government and Community Services has introduced a 'flexible planning model that is consistent with the Northern Territory Planning System but reduces the bureaucratic red tape for development in remote communities.

The Remote Minor Community Planning Framework enables flexible place based town planning for individual communities from the ground up, rather than from the top down through existing statutory planning processes.

The planning model supports:

- properly planned and designed remote communities for current and future growth by creating individual Community Land Use Plans through consultation with community members and land councils
- economic development, home ownership and potential property markets within communities
- reducing red tape by working within a strategic model endorsed by the community and external stakeholders, including government departments, potential developers and Power and Water Corporation
- ongoing consultation and collaboration between communities, land councils, Northern Territory Government departments and service agencies on development, land use and service delivery.

The planning model will see Community Land Use Plans created and uploaded on the mainstream information system Bushtel, which is a publicly accessible portal for comprehensive community data. The community profile information contained in Bushtel uses the Google Maps platform as its basis and draws relevant information pertaining to core services on each lot, including cultural, telecommunications, utilities, education, health, community/social services etc. This acts as a 'one stop shop' for stakeholders, community organisations,

government agencies and potential investors to determine whether there is an interest in the land or an existing lease, what level of services exist and whether the land would be suitable for its intended purpose in combination with the Community Land Use Plans. The Indigenous Land Information System (ILIS) remains the source of land information, however where a lease or interest can't be registered in ILIS, this information will be available in Bushtel, with a direct link between the two systems.

The Community Land Use Plans use cadastral mapping and town planning to create a blueprint for potential development and existing services including:

- cultural exclusion areas
- physical exclusion areas (eg land subject to inundation)
- level of existing services and future services
- existing and potential future land use areas, including land suitable for development.

Community Land Use Plans are being delivered for 50 communities by 2020. Approximately 10 to 15 maps are to be completed each year starting with Gunyangara located in East Arnhem land, Pirlangimpi on the Tiwi Islands and Mutitjulu in Central Australia.

## HIGHLIGHTS

**50** remote communities across the Northern Territory have been cadastre surveyed to show defined lots and formalise the boundaries of lease areas.

**Eight** communities have been issued their Certificate of Compliance and the Surveyor General has approved the survey plans.

**13** whole of town subdivision applications have been lodged with Development Assessment Services.

## On the ground in Arlparra

The need to provide appropriate housing for elderly Aboriginal people has forged a strong partnership between the remote community of Arlparra and a number of Northern Territory Government departments. Arlparra is located 270 kilometres northeast of Alice Springs on the Sandover Highway.

In 2015 the Northern Territory Government committed \$25.3 million to improve living conditions in the Utopia Homelands by upgrading Arlparra as a service hub for the surrounding 19 outstations. Historically the population of Arlparra has fluctuated with a permanent occupancy of about 100 people living in make shift camps.

The Department of Local Government and Community Services is working with other government departments and the local Arlparra community to make substantial infrastructure improvements and deliver:

- three new homes as emergency housing for the elderly people
- twelve additional new homes for families and other residents living in similar conditions to the aged and frail residents
- new roads
- improved water supply
- a new sewerage system
- employment for local people in the community
- skills and business capacity development in the community for construction and ongoing community housing maintenance
- increased capacity for the Urapuntja Aboriginal Corporation with a goal to become the primary service provider to the surrounding 19 homelands.

Senior representatives of the departments of Local Government and Community Services, Infrastructure, Transport and Business have partnered to fast-track the project, along with Power and Water Corporation, with the support of the Under Treasurer as Community Champion.

Beginning in September 2015, government partners have regularly met with community members in Arlparra. The meetings were to ensure the aspirations of the community were being considered and captured in the planning and development.

OUR PERFORMANCE

The partnership will see active participation of the residents in the development of Arlparra. The construction project will provide jobs for local community members who will be trained to help deliver ongoing maintenance and homeland service delivery.

The Urapuntja Aboriginal Corporation's capacity to provide homeland's services is being enhanced with training in governance and financial management.



## Homelands and Town Camps

In August 2015, the Northern Territory Government took over responsibility to manage the Homelands Program, which is administered by the Department of Local Government and Community Services.

In 2015–16, the department administered \$43.25 million in grants to service providers for homelands and town camps, including \$14 million over four years for the Homelands Extra Allowance Program.

As part of this program, the Municipal and Essential Services Program provides a contribution for repairs, maintenance, minor works and general operational costs. The Housing Maintenance Program provides a contribution to homeland residents for housing repairs and maintenance for dwellings that are privately owned and residents are responsible for meeting other costs.

The Homelands Extra Allowance is a Northern Territory Government funded program that provides an additional \$5200 per eligible household for housing repairs and maintenance. The department has undertaken a range of reviews of the Homelands Program to ensure continuous improvement, and maximise Aboriginal employments through the NT Jobs Package.

## HIGHLIGHTS

The Homelands Program supports about 6000 Aboriginal Territorians living on 364 homelands, 30 communities and 43 town camps across the NT to contribute to the economic, social and cultural life

Since it was introduced in 2013, the department has funded 2642 eligible applications for Homelands Extra Allowance, valued at **\$13.7 million.**

The Homelands Program has contributed to an increase in Aboriginal employment with **136 full time equivalent** positions created for service delivery

on homelands through the Northern Territory Jobs Package.

Home maintenance funding worth **\$8 million** is being spent to support residents in 2474 dwellings in remote localities.



*Housing refurbishments at Elliott*



# OUR PEOPLE

## Working remote is a real buzz for Darren

Since starting his career as a young electrician, Darren Johnson has always wanted to contribute to improving the lives of Aboriginal people in remote communities.

Darren, who is now the Director of Homelands, Outstations and Town Camps at the Department of Local Government and Community Services, grew up in the Barkly district of the Northern Territory.

After winning the Northern Territory Aboriginal and Torres Strait Islander Student of the Year Award as a young apprentice in 1998, Darren has shaped his career around essential services, training and helping people in remote outstations and homeland communities.

Darren previously worked for the Department of Housing in Darwin and Nhulunbuy, in remote operations with Power and Water Corporation and in several training delivery organisations around the Northern Territory, including Alice Springs.

His current role is to provide strategic direction, program policy, and high-level operational and technical advice on infrastructure delivery to outstations, homelands and other communities. Darren liaises with Traditional Owners and other government departments to ensure community needs, expectations and cultural requirements are being met.

*"I have spent a lot of time in training and in the essential services industry working in remote communities and this job enables me to use all of my skills," he said.*

As part of this work, Darren visits remote communities in each region of the Northern Territory every six months, including three to four homelands. He said the most satisfying part of his job is to see how his work can improve the lives of Aboriginal people living in outstations and homelands.

*"It is very rewarding when we make policy decisions and then get to see things happening on the ground in the communities to make people's lives better, it is a real buzz," he said.*

Darren has already seen the difference the Homelands Extra Allowance is making in communities where people are improving housing and other projects to improve their lives. A recent highlight was a project to rebuild and upgrade the barge landing for the Gawa outstation on Elcho Island, near Galiwinku, after it was destroyed by Tropical Cyclones Nathan and Lam in 2015.

*"It was tremendous to see such a big community response and it meant so much for the people to have better access again," he said. "It was very exciting for such a small outstation when the first barge came in within a couple of days of the landing being completed."*



## On track in Mutitjulu

Negotiations for a long-term sublease are continuing for Mutitjulu and once finalised, will improve local land administration, including the transferability of leases that support commercial investment and certainty of land use.

The Northern Territory Government has committed to investing \$10 million in new housing as well as other infrastructure, including a new bakery in the community, improved mobile phone coverage and developing a business centre.

## Funding for town camps in the Barkly

The department is working to improve conditions in town camps and is administering \$3 million in funding to refurbish 35 homes in Elliott town camps and Marlinja homeland in the Barkly region.

Local Aboriginal company Triple P Contracting is undertaking the refurbishments, which will make a difference to the lives of those within their community. The local contractor has already refurbished eight houses.

## Testimonial

*"I am delighted to see investment in housing being allocated to a community with long term tradeable tenure that will support a mix of housing types, including home ownership, while also addressing the overcrowding that has existed for far too long." – Federal Minister Nigel Scullion*

## REMOTE ENGAGEMENT AND COORDINATION

The Remote Engagement and Coordination Unit develop systems and processes in line with the Remote Engagement and Coordination Strategy to improve community engagement, community development and service delivery coordination activities for remote areas.

The unit leads the whole of government coordination of the National Partnership Agreement on Northern Territory Remote Aboriginal Investment and administers \$106 000 in grants program to build local research capacity in remote communities.

### Remote Information Coordination System

The Remote Engagement and Coordination Unit is working on a three-year project to create a Remote Information and Coordination System as a centralised access point for information relating to individual remote communities across the Northern Territory.

The system includes three main elements:

- a central database for containing and accessing a broad range of community information including location, employment, local businesses, language and clans, community and essential services infrastructure and investment opportunities
- an integrated system and process for recording, tracking and reporting on community raised concerns and priorities
- a publicly accessible web based interface, which will be an updated version of the Bushtel website.

The integrated information system will better inform government employees, private sector, service providers and the public about the Northern Territory's remote communities, including information relating to demography, access to the community, services and assets within a community.

## HIGHLIGHTS

**Redesigning** the BushTel website, which is a three year project to centralise common remote community information into one publically accessible system. Once complete both government and non-government organisations will be able to develop their understanding of current services, and limitations to delivering services, for remote communities in the Northern Territory.

**Developed** an internal land tenure information system to capture Northern Territory Government leasing information relating to remote Aboriginal communities.

**Ongoing** development and maintenance of 76 remote Aboriginal community profiles detailing common community information including current core service providers and identified government investment by location.

**Provided** grant funding to Charles Darwin University and Tangentyere Research Hub to work in collaboration with local Aboriginal researchers and senior advisors to develop localised research and evaluation capacity in four remotes, these being Ali Curung, Galiwinku, Ngukurr and Hermannsburg (Ntaria).

## STRATEGY AND COMMUNITY DEVELOPMENT

The Strategy and Community Development unit provides support and advice for planning and delivery of inter and intra-government projects that improve economic and social determinants in Aboriginal communities.

### Remote Housing Development Organisation

In March 2016, the Northern Territory Government approved the establishment of a Remote Housing Development Authority (RHDA), which is being led by the Department of Local Government and Community Services.

Since 2008, the Northern Territory and Australian governments have been delivering an extensive program of rebuilding, upgrading and new housing construction in remote communities and town camps under the National Partnership Agreement on Remote Indigenous Housing (NPARIH).

The Northern Territory and Australian governments are continuing to deliver new replacement houses and upgrades across the Northern Territory for the next two years until the NPARIH is completed in 2018.

Despite these efforts there are still significant challenges in providing remote Aboriginal housing. High levels of overcrowding and concerns raised by Aboriginal people about delays in dealing with maintenance issues have further highlighted a need for a new approach.

Addressing the unmet demand for housing will require both public and private investment. The Northern Territory Government will work with public and private stakeholders to help achieve this.

Aboriginal Territorians continue to express a desire for greater involvement in decision making across the remote housing sector, and for increased investment in communities. While there are many outstanding issues that need to be addressed there have also been significant gains.

The Northern Territory Government recognises that for the RHDA to be successful, it must be underpinned by a partnership approach between governments and Aboriginal people.

The RHDA is making progress with initial stakeholder engagement underway and a discussion paper to be released on 1 October 2016. This paper will focus on determining which community housing models would

be feasible in the Northern Territory. A second round of engagement is to be completed by the end of November 2016.

### Remote morgues

Twenty remote communities have been identified as needing new or upgraded morgue facilities in the Northern Territory.

The department's Remote Morgues Program will deliver four new morgues in Maningrida, Wurrumiyanga, Galiwinku and Kaltukatjara (Docker River).

A further 16 communities have been identified for upgrades to existing morgue facilities, including Ali Curung, Alpururulam, Borroloola, Elliott, Gunbalanya, Jabiru, Kalkarindji, Kintore, Lajamanu, Ngukurr, Numbulwar, Nyirripi, Papunya, Wadeye and Yuendumu.

The morgue program will be coordinated with infrastructure upgrades in each community. The morgue upgrades in Numbulwar and Ngukurr will be programmed around the construction of new health centres, while the morgue upgrades at Lajamanu and Kalkarindji will be upgraded at the same time.

### Remote bakeries

The department is helping to establish bakery cafes in 21 remote communities across the Northern Territory with \$7.35 million in funding from the Australian and Northern Territory Governments.

Three bakeries have been set up in Hermannsburg, Papunya and Yuendumu, which have been operating successfully for the past 12 months. Three bakeries are in the planning stages in Timber Creek, Beswick and Ngukurr. A tender has been advertised for 15 bakeries in Elliott, Galiwinku, Gunbalanya, Kalkarindji, Kaltukatjara (Docker River), Kintore, Lajamanu, Maningrida, Numbulwar, Peppimenarti, Tennant Creek, Umbakumba, Utopia (Arparra) and Wurrumiyanga (Nguiu).

The bakeries will provide local Aboriginal people in remote communities with improved choices and training, employment and support tourism.



## WOMEN'S POLICY

The Office of Women's Policy provides leadership across government in ensuring gender equality and that Northern Territory women are considered in government policy and programs. The Office represents the Northern Territory on national boards and working groups and helps administer a well-established grants program.

The Office of Women's Policy provides direct advice and support to government on issues affecting women and is guided by the Policy Framework for Northern Territory women, which was released in April 2015. The Office also administers a \$121 000 grants and scholarships program to improve the lives of women.

## HIGHLIGHTS

**\$121 000** per year  
The Office of Women's Policy Grants and Scholarship Program totals \$121 000 per year to support the four key focus areas for action in the Policy Framework for Northern Territory women, including women's safety, women's health and wellbeing, economic security and leadership and participation.

**\$20 000**  
The Office provided \$20 000 in International Women's Day grants to women and women's organisations to celebrate "Pledge for Parity", including the East Arnhem Regional Council, Multicultural Council of the NT and Childbirth Education Association.

## 31 White Cards

The Office supported 31 Indigenous women from Yuendumu, Willowra and Pmara Jutunta to receive White Card construction certification through Office of Women's Policy General Grants program.

## \$19 000 in scholarships

The Office of Women's Policy provides the Minister for Women's Scholarships through Charles Darwin University each year. The program includes one Higher Education Scholarship per year of \$15 000 as well as a laptop computer, in addition to two vocational education and training scholarships of \$2000 per year. This program aims to increase the economic participation and security of women in the Territory through education.

## Northern Territory Women's Consultative Council

The department established the inaugural Women's Consultative Council in May 2016 to give Northern Territory women a way of engaging directly with government on issues that affect their lives. The 12 members of the council were chosen from more than 70 women from urban, remote and rural areas who all put in high calibre nominations.

The council provides a platform to highlight issues affecting women, and through consultation with their community, the members will identify local issues and priorities, and then advise government. The council represents rural, remote and urban women from all walks of life and occupations who are strategic thinkers and leaders in their communities.

The council was established under the NT Government's Northern Territory Women 2015 – 2020 Strategy.

## MEN'S POLICY

The Office of Men's Policy provides direct policy advice on issues affecting men and their families in the Northern Territory.

The Indigenous Male Advisory Council was established to help government understand the emerging trends and significant issues affecting Indigenous males across the Northern Territory, and is the first of its kind in Australia.

The Office of Men's Policy directly supports community engagement activities focusing on health and wellbeing, men's leadership and mentoring young boys into adulthood. The Office supports government's commitment to reduce domestic violence in the community through the 'Safety is Everyone's Right' strategy and 'NO MORE' campaign.

## HIGHLIGHTS

Secured **\$150 000** of grant funding over the next four years under the Indigenous Male Advisory Council to support family violence and prevention initiatives.

Committed **\$110 000** to support the "Safety is Everyone's Right" strategy.

**Developed** a strong partnership with the Neighbourhood Activity Centre at Sanderson Middle School.

**Achieved** accreditation as a 'White Ribbon Workplace' to confirm the department demonstrates effective leadership, resource allocation, communication, human resource (HR) policy development and training to create a safer and more respectful workplace.



## Empowering families to make a difference

The department continues to empower Northern Territory families by working on strategies to reduce domestic violence through its Office of Men's Policy and Office of Women's Policy.

The Second Action Plan under the National Plan to Reduce Violence Against Women and their Children 2010 – 2022 contains 26 practical actions that all governments have agreed to and are critical to improving women's safety.

The Office of Women's Policy began evaluating the second action plan in 2016. The Department's Office of Women's Policy provides direct input and represents the Northern Territory Government on the National Plan Implementation Executive Group. This group began developing the Third Action Plan in 2016.

Through the Office of Women's Policy, the Northern Territory is a financial member of Our Watch (formerly the Foundation for the Prevention of

Violence Against Women) and a member of the board. The role of Our Watch is to drive long term cultural and attitudinal change from the ground up, through community engagement and advocacy.

In 2015 Our Watch launched 'Change the Story' – a shared framework for the primary prevention of violence against women and their children. Produced in partnership with VicHealth, Australia's National Research Organisation for Women's Safety and Our Watch, Change the Story presents the most current evidence and conceptual approach for preventing violence against women and their children in Australia.

The Office of Men's Policy continue to engage with local communities to raise awareness about domestic violence by developing Domestic Violence Action Plans in communities across the Territory and by supporting the NO MORE campaign.



## HIGHLIGHTS

Putting **17** Domestic Violence Action Plans in place across the Northern Territory.

Creating a **NO MORE** bus wrap advertising on Territory buses.

Erecting NO MORE signage at **12** sporting venues across the Northern Territory covering tennis, rugby, squash, athletics, beach volleyball, cricket and football

**Sponsoring** the Minister's Action Against Domestic Violence Sports Award, which was won by the Central Australian Football League.

## Financial Performance

Output Group/Output	2014-15 Actual	2015-16 Budget	2015-16 Actual
	\$000	\$000	\$000
<b>Strategy and Community Development and Regional Services</b>	<b>137 670</b>	<b>172 109</b>	<b>166 409</b>
Indigenous Essential Services	73 125	98 019	97 226
Remote Infrastructure Coordination	17 821	23 444	13 922
Homelands, Outstations and Town Camps	42 107	46 134	50 296
Community Development	3 129	3 107	3 451
Strategy	1 488	1 405	1 514

### Key Strategy and Community Development Financial Variances

The increase between 2014-15 actual result and the 2015-16 Budget for the Strategy and Community Development Output group was due Commonwealth funding carried into 2015-16 from prior year, additional funding for Indigenous Essential Services projects and additional Commonwealth funding for various remote initiatives.

The decrease between 2015-16 Budget and 2015-16 Actual for the Strategy and Community Development Output Group is mainly due to revised timing of Commonwealth expenditure commitments relating to various Commonwealth funded programs.

## Key Performance Indicators

	2014-15 Actual	2015-16 Budget	2015-16 Actual
<b>Regional Services</b>			
<b>Indigenous Essential Services</b>			
Total annual cost of purchasing services for remote localities	\$73.1M	\$75.02M	\$97.23M
Customer satisfaction with services	78%	75%	76%
<b>Remote Infrastructure Coordination</b>			
Remote towns where all Territory Government infrastructure is secured with long-term tenure arrangements*	63	59	56
Remote Communities where remote public housing leases are in place*	90	87	85
Minor Communities where cadastre surveys have been completed	48	50	50
<b>Homelands, Outstations and Town Camps</b>			
Homelands and town camps where municipal essential services and housing maintenance services are delivered	421	438	438
Proportion of service providers meeting service delivery standards	94%	95%	95%
Municipal and Essential Services grants for homelands and outstations	\$20.2M	\$20M	\$20.67M
Municipal and Essential Services grants for town camps	\$2.6M	\$2.7M	\$2.7M
<b>Strategy and Community Development</b>			
<b>Community Development</b>			
Monitor Stronger Futures implementation plans	9	9	9
<b>Strategy</b>			
Number of individuals and organisations assisted with grants	34	46	39
Number of community consultations delivered	15	17	10
Number of Domestic and Family Violence Action Plans completed		16	17
Number of Indigenous Male Advisory Council meetings held	4	2	2

Notes:

\*The 2014-15 actual key performance indicator figures included secured and agreed leases.

The methodology for calculating the measures in 2015-16 Estimate and Actual included secured leases only.



# BUSINESS SERVICES

Business Services provides financial management, human resource management, information management, information technology, office services, procurement and corporate governance services for the Department of Local Government and Community Services.

Media, marketing and communication services are provided by the Department of Housing under shared service arrangements and legal services are provided through the Solicitor for Northern Territory.

Business Services strive to enable department staff to do their work by providing professional expertise and the systems and tools that are relevant and easy to use, within a governance framework.

Business Services objectives are to:

- deliver a quality service to clients via responsible use of assets and resources – assets and physical resources are acquired, maintained, and used in accordance with client and government needs
- share knowledge to support decision-making and service delivery – ensure our systems are easily accessible and staff understand how to use them
- support safe, engaged and accountable agency staff – recruit effectively and manage softly by choosing the best and ensuring staff have the tools and the environment to excel
- continue as business as usual when the only constant in life is change – be ready for anything and foster a flexible and adaptable workforce.

Snapshot of the 2015–16 achievements include (further detail is given in separate chapters of this report):

- delivering Recruitment and Selection training for all staff including details of “Special Measures”
- delivering appropriate workplace training workshops for all staff

- increasing the number of Mercer qualified Job Evaluators to 12 to help establish and redesigning positions.
- launching and promoting lunch time talks each month, including What is Counseling, Working with interpreters, Remote Engagement Coordination Strategy, Land Tenure and Tech Talk
- achieving financial management within the department’s approved budget with all senior managers
- facilitating the delivery of travel policy and guidelines training across the department
- installing Navman (vehicle safety system) into 25 vehicles across the fleet
- facilitating procurement training across the department, delivered by the Department of Business
- completing fire warden training and one evacuation drill for RCG House
- establishing the Risk Management and Audit Committee (six meetings held), including creating and approving the RMAC Charter, Governance Framework, Risk Management Guidelines and Guide for staff to evaluate risk in decision making
- establishing of a Risk Assessment and Implementation working group
- delivering a program of review and updating current intranet ‘service centre’ pages for department staff to reference.

## Financial Performance

Output Group/ Output	2014–15 Actual	2015–16 Budget	2015–16 Actual
	\$'000	\$'000	\$'000
Business Services	3 010	3 028	4 020

## Key Performance Indicators

Key Deliverable	2014–15 Actual	2015–16 Budget	2015–16 Actual
Client Satisfaction with Services <sup>(1)</sup>	4.2	>=5	4

<sup>(1)</sup> Measure ranges from a rating of 1 = extremely dissatisfied through to 6 = extremely satisfied

# 03 Our People

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The Department of Local Government and Community Services is driven to recruit and retain staff, who support the department's values, which are to be:

- innovative
- solution focused
- collaborative
- accountable.



# STAFF SNAPSHOT

At 30 June 2016, a total of 242 full-time equivalent (FTE) staff were employed in the department and the total number of staff (people paid) was 311.

The table below provides a snapshot of department staff as at 30 June 2016 and, where available, provides a comparison to the Northern Territory Public Sector (NTPS).

	2014-15	2015-16		
	Prior year comparison	Number	Percentage %	NTPS comparison %
Staff as at 30 June 2015 (FTE)	222	242		1.2% of total NTPS
<b>Staff Numbers</b>				
Total staff numbers	281	311		
Part time staff	24	18	3%	10.8%
Casual staff	83	113	36%	3.5%
<b>Demographics</b>				
Male: Female ratio	109:172	128:183	41%:59%	37%:63%
Male: Female Senior Management ratio	17:8	18:12	60%:40%	51%:49%
Average Age	47	47		43
Indigenous staff	135	161	52%	10%
Staff with a disability	7	5	1.6%	1%
Staff with a culturally diverse back ground	21	29	9.3%	9.8%
<b>Turnover FTE</b>				
Commencements	27	38	19%	25%
Separations	35	41	21%	22%

Note: Senior management includes executive contract officers and senior administration officers level 2.

## DIVERSITY OVERVIEW SNAPSHOT

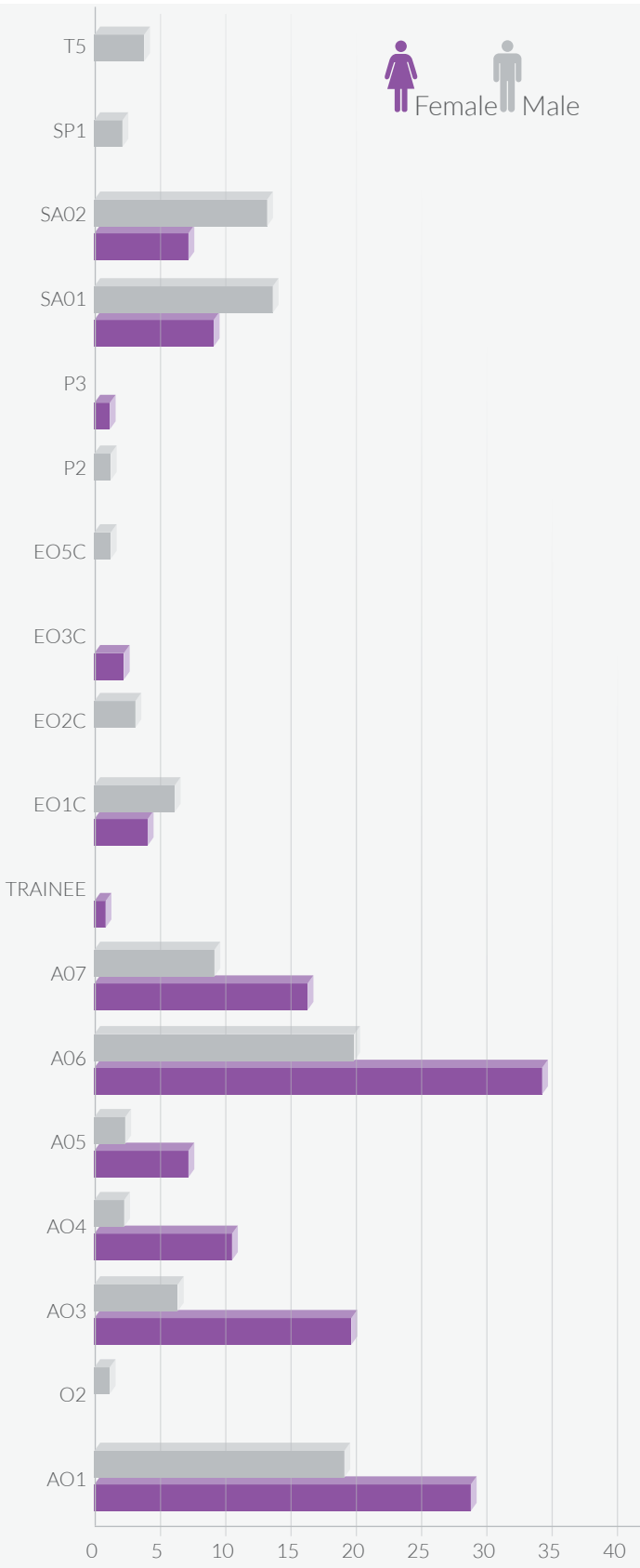
The department benefits from a gender balanced and diverse workforce. As at 30 June 2016:

- 59% of our workforce was female, with 40% female in senior management roles
- 41% was male, with 60% males in senior management roles
- 52% or 161 employees identified as Aboriginal or Torres Strait Islander
- 9.3% or 29 employees identified as being from a culturally diverse background
- five employees identified as having a disability
- 59% of employees were aged over 45 years of age
- the majority of females were in the 45–54 year age group
- the majority of males were in the 55–64 year age group
- 73% of employees have completed 0-9 years of service.

## GENDER AND LEVEL

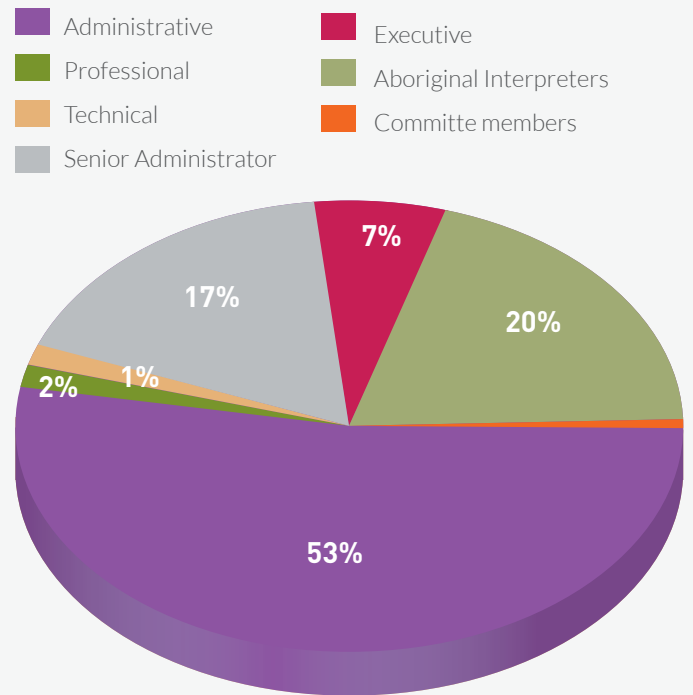
**Figure 1** identifies staff by gender for each classification level by FTE numbers. The largest numbers of staff are in the Aboriginal Interpreters (AI) and Administrative Officers 6 (AO6). Females predominantly occupy the lower and middle level administrative officer roles.

**Figure 1: Staff by gender and classification**



**Figure 2** demonstrates the distribution of staff across employment types as at 30 June 2016.

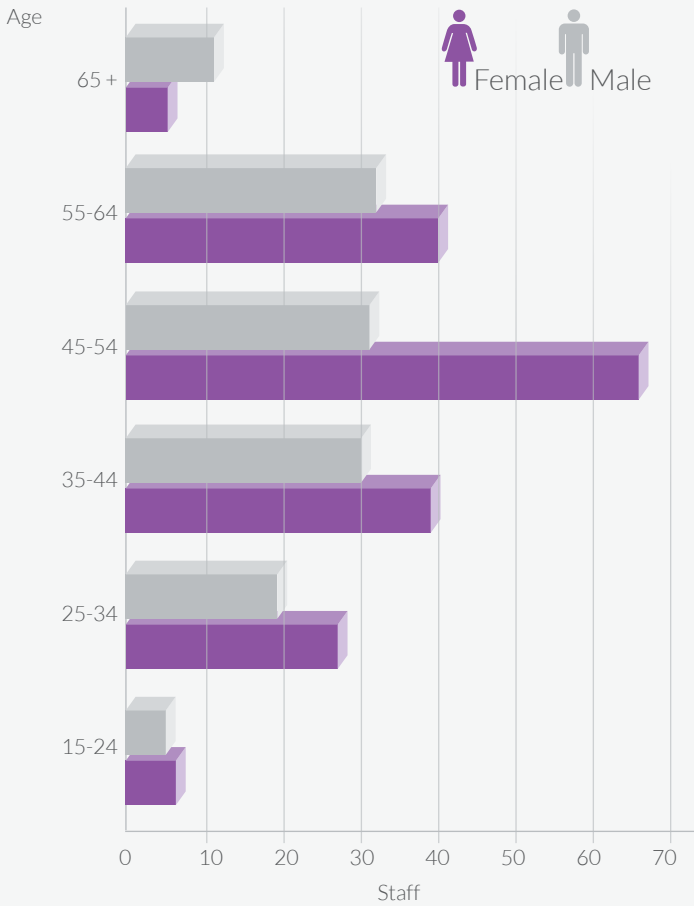
**Figure 2: Staff by employment type FTE**



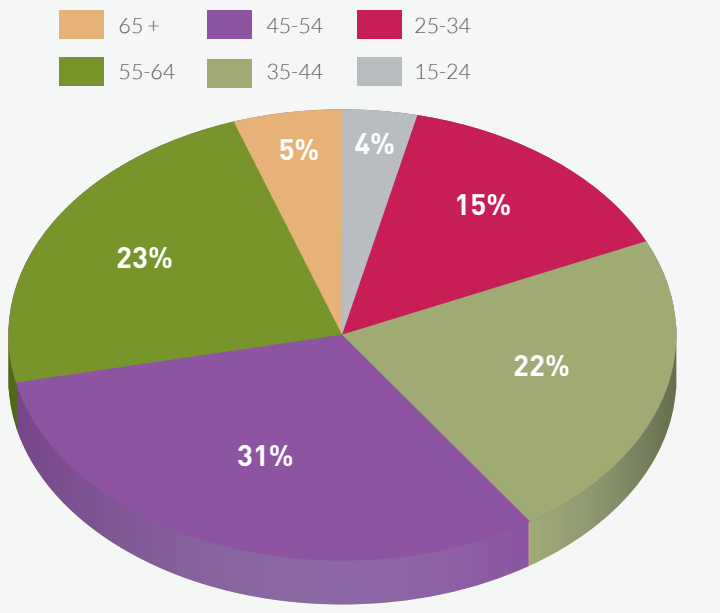
## AVERAGE AGE

The average age of department staff is 47 years, based on total staff numbers. The age and gender of all staff are shown in **Figure 3** and **Figure 4** demonstrates the department's age profile by percentage.

**Figure 3: Staff by age and gender**



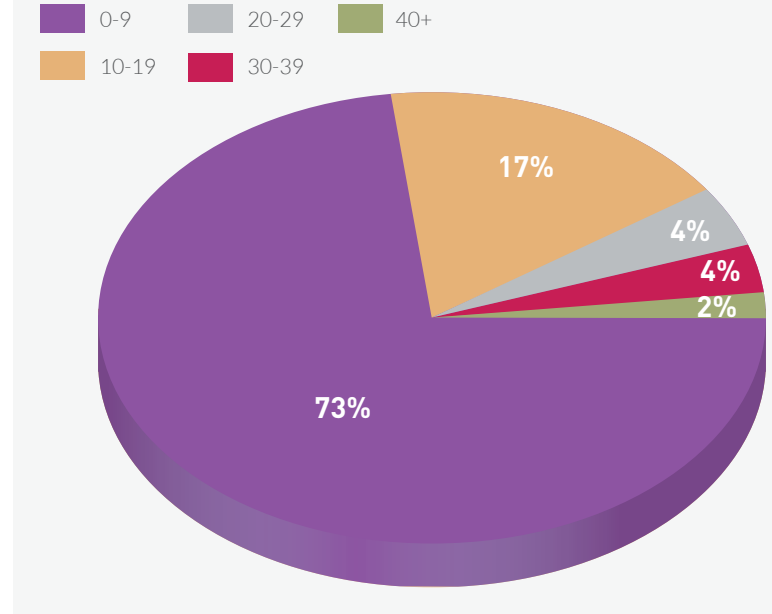
**Figure 4: Age profile**



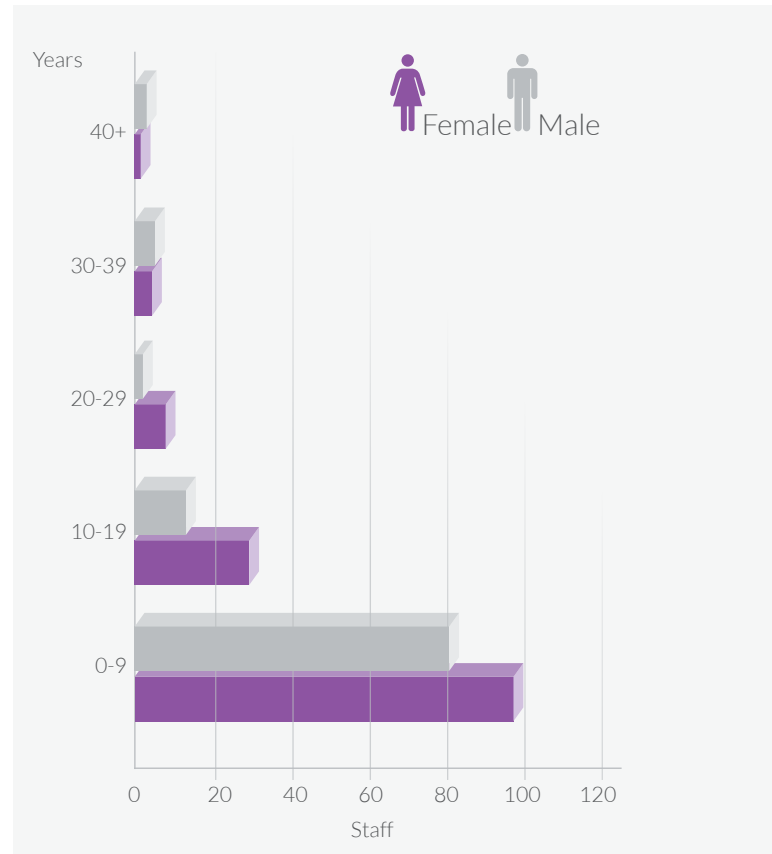
## YEARS OF SERVICE

**Figure 5** illustrates staff years of service at 30 June 2016 and according to the milestone groups. A total of 27% of department staff (FTE) have completed 10 or more years of service within the NTPS.

**Figure 5: Years of service by percentage against milestone (FTE)**



**Figure 6: Years of service by gender**





# SUPPORTING AND GROWING OUR PEOPLE

## PEOPLE MATTER SURVEY

### 2016 People Matter Survey

The 2016 People Matter Survey was open to all Northern Territory Government employees to gather information on a broad range of issues including:

- work environment
- job satisfaction
- how the department, managers and the workplace operate.

The responses will provide valuable data to build a positive work environment in the Department of Local Government and Community Services and across the public sector as a whole.

The 2016 People Matter Survey was open for three weeks from Wednesday 18 May to Wednesday 8 June 2016.

The department achieved a 59% response rate, which was above the Northern Territory Public Sector (NTPS) average of 42% but below the previous survey response rate of 76% for the department.

The department is expected to have the results of the survey in the first half of the 2016–17 financial year.

### 2014 People Matter Survey

The results of the 2014 People Matter Survey were given to all staff within the department, with the Chief Executive highlighting the department's areas of strengths as:

- supporting various flexible work options
- good performance agreement processes
- employees providing help and support to their colleagues
- ensuring that clients/customers receive a high standard of service.

These strengths celebrate what the department does well and what needs to be maintained by continuing to support flexible work options, a consistent

performance agreement process and employees continuing to work together to achieve common outcomes.

The results identified areas for improvement in:

- recruitment, promotion and development processes
- change management communication
- processes for dealing with inappropriate workplace behaviours.

These identified improvements need to be a focus so the department is a satisfying and more productive place to work. Based on insights gained from the survey results the Chief Executive committed to establishing different ways to achieve improvements.

The following actions were delivered towards these improvements in 2015–16:

- Mandatory training in recruitment and selection for all employees was completed in November 2015. This training was delivered by the Office of the Commissioner for Public Employment (OCPE) across the regions and the training was made available through an online portal.
- A change management policy and toolkit was developed and launched for the department and resources are available on the departmental intranet and have been promoted through executive meetings and Chief Executive newsletters.
- Appropriate workplace behaviour information sessions were conducted in March and April 2016 in all regions, via face-to-face workshops, video conferencing or teleconferencing. The Appropriate Workplace Behavior Policy was developed and launched, which included an inappropriate workplace behavior flowchart and social media policy.

## BUILDING CAPABILITIES OF OUR EMPLOYEES

To maintain a skilled and capable workforce, the department is committed to developing staff by:

- providing targeted learning and development training programs and opportunities
- preparing for future workforce needs by committing to early career programs.
- developing leadership capability



*Regional staff on the road.*

## INTERNAL LUNCH TIME SESSIONS

The department is diverse and complex, achieving many goals across a broad range of areas. Lunch time sessions are an opportunity to learn what has been achieved and what is on the horizon within one of the areas of the department. In 2014–15 the department launched the lunch time session program to encourage staff each month to come listen to a project or area within the department.

In 2015–16 topics covered in these sessions included:

- working with interpreters
- Regional Engagement Coordination Strategy
- land tenure
- Tech Talk – using technology in the workplace
- What is Counselling?
- Employee Assistance Program.

## SUPPORTING EMPLOYMENT PROGRAMS

The department is committed to supporting entry level employment programs and where possible using these programs to recruit for vacant entry level positions.

### Indigenous Employment Program

The Indigenous Employment Program (IEP) is a pre-employment program designed to attract Indigenous jobseekers. Candidates may wish to enter or return to the workforce, or want to pursue a career in the NTPS. The program aims to equip each trainee with a foundation of skills relevant to entry level positions. Trainees undertake a targeted training program that incorporates accredited vocational training along with work readiness development and work-based learning. After successfully completing the program, participants can receive either a fixed term or ongoing offer of employment with the NTPS.

Two trainees started with the department under the IEP in the Darwin and Alice Springs office in 2015–16, however both applicants withdrew without completing their Certificate II in Business. The department has committed to an IEP participant for the 2016–17 year.

### Northern Territory Public Sector Indigenous and Non-Indigenous Traineeship

Traineeships combine employment with structured learning to develop workplace skills and provide a nationally recognised qualification at a Certificate II, III, IV or diploma level. After successfully completing their traineeship, trainees can receive either fixed term or ongoing offer of employment with the NTPS.

In February 2016 an Indigenous trainee who was studying towards a Certificate III in Business started work at the department. The trainee is no longer in the program and the department will look towards the next intake in 2017.

### Northern Territory Public Sector Graduate Development Program

The Graduate Development Program develops the skills, experience, knowledge and abilities of graduates to the competence level required for management positions. Graduates are employed in a one or two year program combining on-the-job training with professional and personal development opportunities. Graduates may be rotated throughout their employing agency, working on various tasks and projects. After successfully completing the program, the graduate trainees can receive either fixed term or ongoing offer of employment with the NTPS.

In June 2016 the department began recruiting for two graduate trainee positions to begin in January 2017.



## TRAINING AND DEVELOPMENT

In 2015–16, the department invested \$360 117 on training and development for its employees, in addition to the entry level programs. This equates to \$1488 per FTE staff member and includes study assistance, short course training and leadership programs. The amount was a significant increase in investment compared to the previous year, doubling the average amount per FTE in 2014–15.

The department, in collaboration with the International Association for Public Participation (IAP2) developed a two day Remote Engagement Essentials Workshop. The workshop was designed to provide contemporary engagement principles and to demonstrate how they can be applied practically to engagement with remote NT communities. The department ran three workshops with several more planned for delivery in our regions.

Training and Development expenditure	2014–15	2015–16
Total Employees (FTE)	222	242
Total training and development expenses	\$159 847	\$360 117
Total personnel expenditure	\$21 287 482	\$25 415 310
Training and development costs as % of personnel expenditure	0.75%	1.42%
Training expenditure per employee FTE	\$720	\$1488

Highlights on training and development undertaken in 2015–16 include:

- 54 employees attended accredited courses, of which 39 were Indigenous employees
- 64 employees attended non-accredited courses, of which 19 were Indigenous employees.

The department supported the following examples of accredited training in 2015–16:

- 4WD training – seven employees
- Certificate IV in Training and Assessment – 12 employees

- Certificate IV in Leadership and Management – one employee
- Certificate in Governance and Risk Management – one employee
- Future leaders program – three employees
- Public Service Management Program – one employee
- Diploma of Project Management – two employees
- Bachelor Applied Science Indigenous Community Management – one employee
- Emerging Leaders Program – two employees
- Executive Leadership Program – one employee
- International Association for Public Participation (IAP2) Engagement essentials – four employees
- Kigaruk Indigenous Men's Leadership Program – one employee.
- First aid training – seven employees.

The department supported the following examples of non-accredited training in 2015–16:

- Punctuation unpacked – 15 employees
- Ministerial writing course – eight employees
- Merit Selection training – five employees
- Machinery of Government Course – four employees
- Business Case Writing – four employees
- Microsoft Office applications training – three employees
- Mercer Job Evaluation System training – five employees
- Policy training – three employees.



## PERFORMANCE AND DEVELOPMENT TRAINING

The department's employee performance management and development system supports the key strategic priority to build and support a workforce that is skilled and capable.

### OCPE Leadership Programs

The Office of the Commissioner for Public Employment (OCPE) is dedicated to strengthening the leadership capability of the NTPS, to promote effective decision making as employees navigate their public sector careers through the inevitable complexities and challenges that arise along the way.

Department staff accessed the following professional leadership programs through OCPE during 2015–16:

- Public Sector Management Program
- Kigaruk Indigenous Men's Leadership Program
- Future Leaders Program
- Emerging Leaders Program
- Machinery of Government
- Executive Leadership Program.

## NATIONAL YOUTH WEEK AND THE YOUTH NETWORKING GROUP

### National Youth Week - Annual Celebration of Youth

National Youth Week is an annual initiative held in April each year in every Australian State and Territory. In the Northern Territory, the Office of Youth Affairs manages the week to make sure it gets bigger and better every year. In the Northern Territory it has become the largest celebration of youth and allows young people to get involved with planning, having fun and participating in loads of events and activities.

The theme for National Youth Week has always been to celebrate and recognise the value of all young Australians to their communities. All activities reflect this theme and encourage the participation of young Australians in this annual event.

In 2016 National Youth Week ran from Friday 8 to Sunday 17 April.

During National Youth Week 2016 the department organised regional morning teas, a whole of department art competition and youth awards. Congratulations to all those nominated for an award and the art competition prize winners.

In collaboration with the department's human resources team the Youth Networking Group Champions are working to develop resources to provide support and a forum for greater freedom of speech for youths within the department. These resources are promoted in the department's intranet pages.



## EQUAL EMPLOYMENT OPPORTUNITY AND WORKFORCE DIVERSITY

The department celebrates the diversity of its staff and treats everyone equally in the workplace and respects and values differences. All employees are afforded the same rights and have the same obligations – men, women, Indigenous Australians, people with a disability, mature aged people,

young people and people from culturally diverse backgrounds.

Employing Aboriginal and ethnic language interpreters within our department ensures we are one of the most diverse employers within the Northern Territory.



# INDIGENOUS EMPLOYMENT

The department is increasing the focus on Indigenous employment in line with the strategic direction for the NTPS, as well as the department’s strategic plan. The department was one of the first departments within the NTPS to introduce special measures to further increase our Aboriginal workforce.

Special measures enable the department to focus on employing suitably qualified and skilled Aboriginal employees. Under special measures, Aboriginal applicants who meet all of the selection criteria to the required standard for a vacant position will receive preference in the recruitment process over non-Aboriginal applicants. This ensures the successful applicant has the skills and abilities required to undertake the role and provides employment opportunities for Aboriginal applicants.

Figures 7 and 8 illustrate the demographics by age and classification for Indigenous employees respectively.

Figure 7: Indigenous staff by age and gender

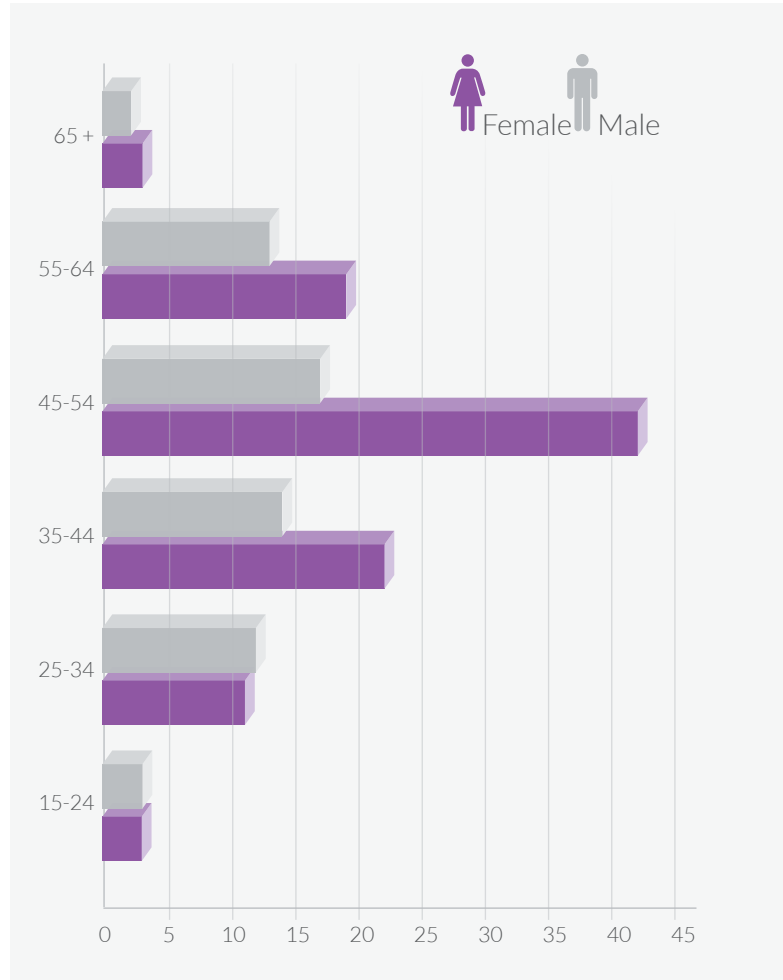
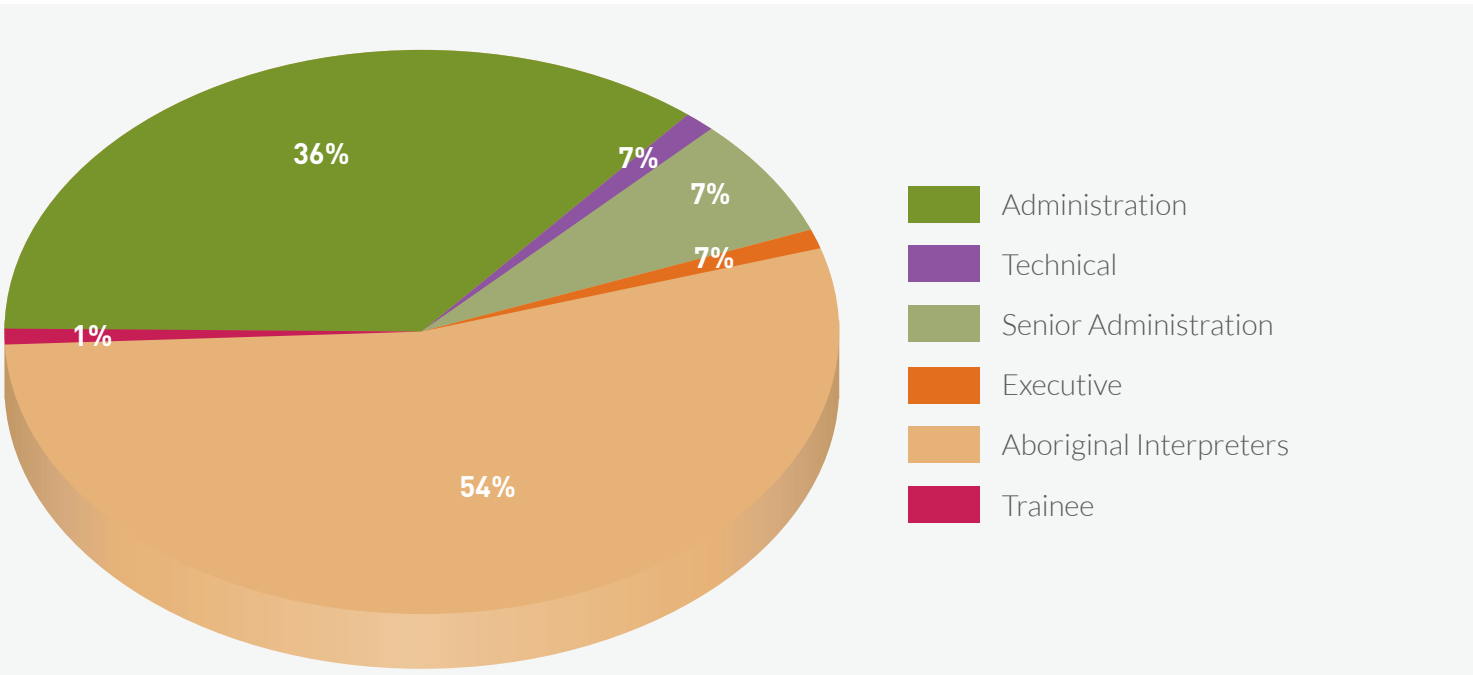


Figure 8: Indigenous staff by employment type



## HEALTH AND WELLBEING

In November 2015 the department launched its staff Health and Wellbeing Program, with the mission statement:

**“To create a happy workplace environment where the health and wellbeing of employees is highly valued – an environment sensitive to issues around health and wellbeing that provides both flexibility and opportunity to encourage workers to adopt healthy living practices and support the community.”**

The program covers:

- tips for staying healthy at work
- tips for employers and employees
- popular Australian health initiatives and calendar
- community involvement
- corporate discounts available
- health and wellbeing providers
- work life balance
- Employee Assistance Program
- work, health and safety
- harassment, bullying and discriminations
- managing stress
- valuing diversity in the workplace.

The calendar of events lists events and initiatives for employees to participate in such as flu vaccinations, health checks, appropriate workplace behaviour training, resilience workshops, and details of events that the department already participates in such as Harmony Day, NAIDOC Week and Melbourne Cup. The other dates in the calendar are included to prompt staff to look after their own health and contribute to community service organisations if they are interested, such as skin checks and eye checks or to buy a red nose or daffodil to support a charity.

The wellbeing program and the calendar of events are flexible and allow for events to be built in, especially when work units or employees want to coordinate an event.

---

## COMPLAINT RESOLUTION PROCEDURE

The department received one internal complaint during 2015–16 and is currently still in the process of being resolved.

One case of formal action was required, including the Chief Executive’s determination or a decision by the Commissioner for Public Employment in relation to formal grievance action under the *Public Sector Employment and Management Act*.

## FLEXIBLE WORK ARRANGEMENTS

Flexibility in the workplace is recognised as a valuable tool in achieving greater business productivity.

This approach supports work life balance to give employees the flexibility necessary to manage the balance between what needs to be achieved at work and their personal commitments outside the workplace. The NTPS is committed to helping employees achieve a balance between their professional and personal lives.

The department supports flexible work practice for employees, where the work unit is able to effectively manage the arrangements requested by employees.

### Flexible work arrangements

Flexible work arrangements supported by the department in 2015–16 include:

- employing 18 part time employees
- three staff transitioning into retirement arrangements
- supporting flexible working hour arrangements where operationally viable
- case by case submissions for recreational leave at half pay
- case by case submission of leave without pay
- purchasing additional recreational leave.

## EMPLOYEE ASSISTANCE PROGRAM

Employees and their immediate family can access the confidential services of psychologists and professional counsellors to address work, personal and family matters.

The providers offer professional counselling, training and development workshops, management planning sessions, mediation, career counselling and management coaching. This service is regularly promoted to staff and is covered in the department's orientation program.

### FUTURE PRIORITIES

The department's future priorities are to:

- develop a workforce planning strategy
- review and evaluate recruitment, promotion and development processes
- continue change manage communication
- promote and offer Appropriate Workplace Behaviours and Information Sessions.

# LEGISLATIVE COMPLIANCE

## REPORTING AGAINST EMPLOYMENT INSTRUCTIONS

Employment Instructions are rules relating to the functions and powers of the Commissioner for Public Employment under the *Public Sector Employment and Management Act*.

The department's performance against each Employment Instruction is detailed below.

Employment Instructions and Annual Reporting Requirements	Agency Actions
<p><b>1</b> <b>Filling Vacancies</b></p> <p>Internal procedures on recruitment and selection.</p>	<p>Procedures reviewed and information is provided to managers and staff about selection processes, including promoting the merit selection training that is offered across the sector. In 2015–16:</p> <ul style="list-style-type: none"> <li>• 46 vacancies were advertised</li> <li>• 38 staff started work with the department</li> <li>• 41 separations were processed</li> <li>• no appeals were lodged.</li> </ul>
<p><b>2</b> <b>Probation</b></p> <p>Probationary process for the agency.</p>	<p>Managers and new employees are informed about the probation processes.</p>
<p><b>3</b> <b>Natural Justice</b></p> <p>The principles of natural justice to be observed in all dealings with employees.</p>	<p>The principles of natural justice are integral to addressing employee related matters and there were no issues regarding lack of natural justice raised by department staff.</p>
<p><b>4</b> <b>Employee Performance Management and Development Systems</b></p> <p>Chief Executive to develop and implement performance management systems for their agency.</p>	<p>Our people are our most important assets and are essential to the department's continuous improvement and high performance. Personal Development Plans (PDPs) are a responsibility of all staff and are a critical to achieving the department's strategic direction.</p> <p>PDPs are an important tool for individual development and career progression. The department has PDP guidelines and templates available on the intranet. The human resource consultants provide information sessions and support to all managers.</p>

## 5 **Medical Examinations**

The Chief Executive may engage a health practitioner to conduct a medical examination of an employee.

Early intervention action is taken to minimise medical referral cases. The services of the employee assistance programs are promoted regularly to staff – there were no staff referred for a medical examination during the year.

## 6 **Performance and Inability**

The Chief Executive may establish procedures regarding inability within their agency.

Performance and inability action occur in consultation with managers.

There were four performance and inability cases in 2015–16.

## 7 **Discipline**

The Chief Executive may establish procedures regarding discipline within their agency.

Breaches of conduct and discipline matters are addressed on a case by case basis.

There was one discipline case in 2015–16.

## 8 **Internal Agency Complaints and Section 59 Grievance Review**

Chief Executive to establish, and make available to staff, the agency's written procedures that outline steps for dealing with grievances.

Managers and employees are informed of the internal compliant handling process.

Three complaints were made under the department's internal complaint handling process in 2015–16.

## 9 **Employment Records**

Agencies are required to maintain appropriate employee records and implement procedures for maintaining and accessing these records.

Staff are informed of the information and records management requirement using the Tower Records Management (TRM) system, and the requirement to manage records electronically.

This includes records relating to the employment history of an employee.

## 10 **Equality of Employment Opportunity Programs**

The Chief Executive to report, annually, to the OCPE on programs and initiatives the agency has developed regarding equal employment opportunities.

Special Measures: The department has a diverse workforce including staff from a wide range of non-English speaking backgrounds.

## 11 **Occupational Health and Safety Standards Program**

The Chief Executive to report, annually on work, health and safety programs.

There were three workers compensation claims in 2015–16.

Employees are advised of potential hazards in and around the building, when necessary.



# 04 Our Corporate Governance

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Outlines the department's culture, responsibilities and internal governance arrangements and reports on our corporate governance committees.

# OUR CORPORATE GOVERNANCE

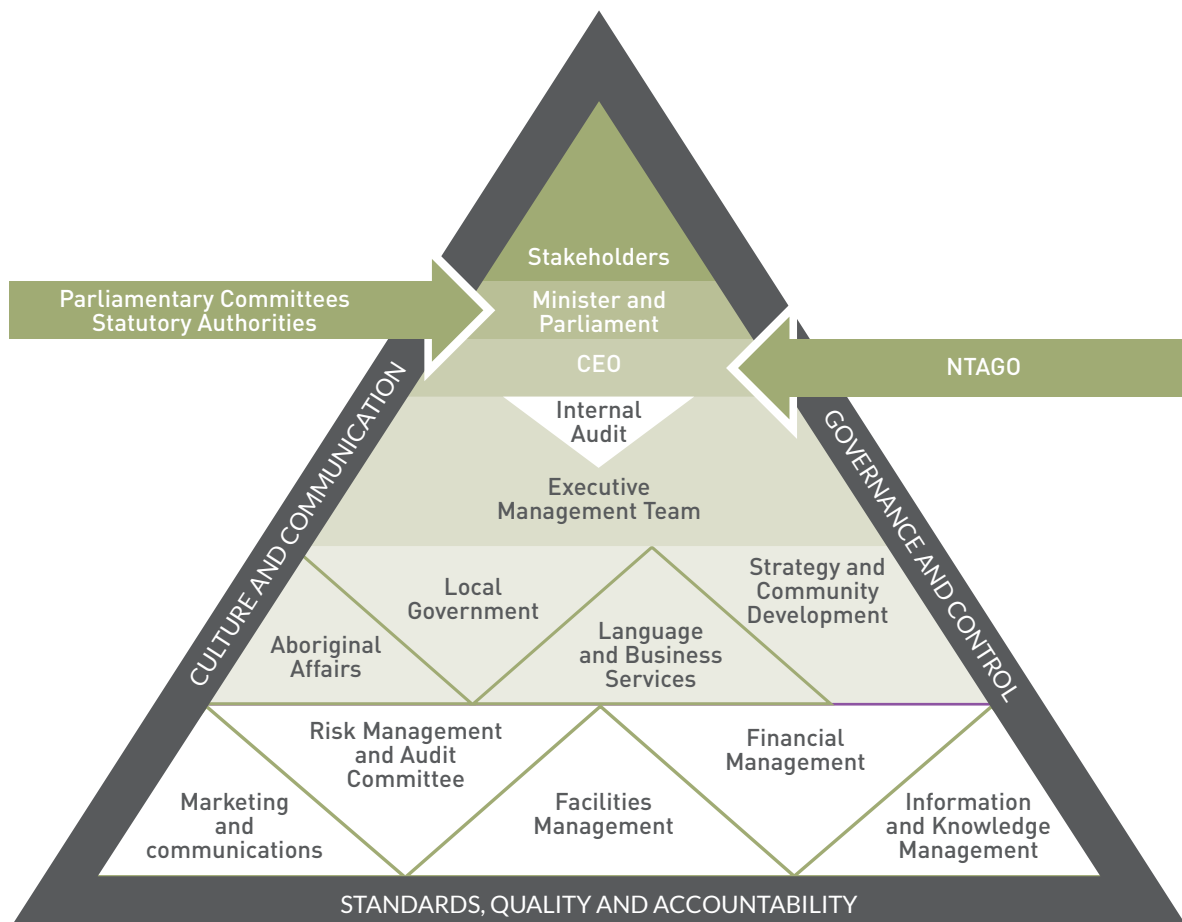
The Department of Local Government and Community Services' commitment to an effective governance process, based on a sound decision making framework involving successful leadership, competent management, monitoring, risk management and clear accountability and responsibility, was amplified during 2015–16.

The department's governance framework facilitates the effective and efficient delivery of policy, services, and departmental responsibilities. It ensures strategic pursuits and operations are delivered with due diligence and accountability.

Stakeholders are at the top of the governance pyramid as recipients of the department's services. They frame the strategic efforts of the department in delivering local government and community services outcomes within the Northern Territory.

To support executive decision making in the department, the executive management team and the Risk Management and Audit Committee are established to ensure transparency and performance, and to monitor risk management.

The framework includes governance and control mechanisms and the promulgation of a positive culture, including through strong communication processes.



## STAKEHOLDERS

The department recognises a broad range of stakeholders, including all residents of the Northern Territory, but the business of the department requires a focus on the key stakeholders including:

- local government councils (municipal and regional)
- local authorities
- Local Government Association of the NT (LGANT)
- homeland and outstation resource organisations
- Indigenous Essential Services Pty Ltd
- Power Water Corporation
- Australian Government agencies
- refugee and trauma non-government organisations
- National Auslan Booking Service (Nabs)
- National Accreditation Authority For Translators And Interpreters (NAATI)
- legal service providers
- Northern Territory Government agencies
- residents of outstations, homelands and remote communities
- Executive Director Township Leasing
- land councils.

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## MINISTER AND PARLIAMENT

In 2015–16, the Chief Executive reported to two ministers – The Honourable Bess Price MLA, Minister for Local Government and Community Services and The Honourable Adam Giles MLA, Minister for Indigenous Affairs.

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## CHIEF EXECUTIVE

The department's Chief Executive Mike Chiodo is required to meet operating and reporting requirements specified in the *Public Sector Employment and Management Act*, *Financial Management Act* and *Information Act*.

The Chief Executive is supported by four executive directors who are responsible for four divisions within the department.

## EXECUTIVE MANAGEMENT TEAM

The department's executive team help the Chief Executive monitor:

- strategic issues
- deliverables and organisational performance
- operational, finance and human resource identification of critical issues
- development of an appropriate departmental response where required.

The Executive Directors meet every Monday morning and the Department of the Chief Minister's Regional Executive Directors attend the second meeting of each month. The fourth meeting of every month focuses on corporate matters, including finance, human resource management, office services, work health safety and corporate governance and risk management.

Membership as at 30 June 2016:

### Weekly Executive Meetings

- Chief Executive – Mike Chiodo
- Deputy Chief Executive – Noelene Swanson
- Executive Director Local Government – David Willing
- Executive Director Office of Aboriginal Affairs – Leeanne Caton
- Executive Director Language and Business Services – David Alexander
- Director, Commonwealth Engagement – Michael Bissell
- Director Southern Region – Antony Yoffa
- Director Office of the Chief Executive – Cassandra Buckley
- A/Manager Secretariat – Amy Cooper
- Director Corporate Communications – Jennifer Sekulich

Additional Members – Regional Executive Directors Meeting

- Regional Executive Director Arnhem, Department of the Chief Minister – Jim Rogers
- Regional Executive Director Big Rivers, Department of the Chief Minister – John DeKoning
- Regional Executive Director Barkly, Department of the Chief Minister – Steve Edgington
- Regional Executive Director Central Australia, Department of the Chief Minister – Scott Lovett
- Executive Director, North Australian Development Office, Department of the Chief Minister – Bridgette Bellenger
- Regional Director Wadeye, Department of the Chief Minister – Jake Quinlivan

Additional Members – Corporate Executive Meeting

- Chief Financial Officer – Wati Kerta
- Senior Director Business Services – Vicki Highland
- Manager Human Resources – Amberlee Bates

The achievements for 2015–16 include monitoring and reviewing departmental priorities and projects, including:

- review of the *Cemeteries Act* and associated consultation
- Strengthening local authorities as the preferred forum for NT Government engagement in remote communities, across portfolios.
- Territory-wide implementation of the Town Camps Review
- finalising the Remote Engagement Coordination Strategy and implementing it within the department and across the Northern Territory Government
- ongoing delivery of interpreter and translation services to the Northern Territory and other jurisdictions

- establishing a fully staffed Office of Aboriginal Affairs
- Homelands Grant Funding Program
- Delivering the Aboriginal Affairs Strategy and Monitoring, Evaluation and Reporting Framework across the Northern Territory Government
- reviewing operational reporting including expenditure on employment levels and staffing, procurement, travel and fleet usage and media and communication issues
- providing direction on staff consultation in relation to the People Matters NT Government Staff Survey and proposed Christmas shutdown period
- led senior leaders in the development of business plans and finalisation of the department's Strategic Plan 2015–2018.
- holding regular staff forums to highlight agency projects and priorities and seek feedback.
- ongoing review and monitoring of department priority projects such as: the Remote Housing Development Authority consultation and project development, Town Camp Review, Homelands Grants Program, Special Purpose Grants Program
- continue delivering the Aboriginal Affairs Strategy and Monitoring, Evaluation and Reporting Framework (MERF)
- continue monitoring the department's budget and staffing levels
- develop business plans for all divisions for the 2016–17 year and continue to highlight the strategic plan
- ensure staff receive regular communication on agency priorities so that the department has an engaged workforce
- continue strengthening local authorities in remote communities and local decision making capacity
- continue promoting the Remote Engagement Coordination Strategy as a key strategy across government to improve remote engagement
- deliver the Bushtel website for the Northern Territory Government and broader public use.

The priorities for 2016–17 include:

- develop new Local Government and Cemeteries legislation

## INTERNAL AUDIT

The department delivers an internal audit through an audited Risk Control Self Assessment (RCSA) methodology across the department.

A 'control process' is a check or process performed to reduce or eliminate the risk of error. There are a number of ways a control self-assessment can be implemented but its key feature is that, in contrast to a traditional audit, the tests and checks are made by staff whose normal day-to-day responsibilities are within the business unit being assessed.

One of the advantages of a RCSA methodology is that it can empower the process owners to take responsibility for identifying and mitigating risks in their areas of responsibility.

RCSA activities are to be coordinated across each division and designed to provide an integrated approach to identified areas of risk. This will provide a snapshot of levels of risk management in a variety

of functions across the department in any one-year period, and the effectiveness of risk management as a decision-making framework across the department. RCSA intends to create a clear line of accountability for controls, reduces the risk of fraud and creates an organisation with a lower risk profile.

The effectiveness of the RCSA process is being tested by an annual audit of the application of the integrated RCSA process and the results reported to the Risk Management and Audit Committee (RMAC). The department engaged a consultant auditor to audit the RCSA methodology and process internally in June 2016. The recommendations from this review will guide any required amendments to the RCSA template for 2016–17 and ensure continued improvement.



Fours RCSAs have been undertaken and tabled at the RMAC:

- tier one procurement
- travel process
- tier two and above procurement
- remote travel.

Each department staff group that undertook the RCSA had a corporate representative to oversee the process and two operational employees across the divisions. The exception to this was the Remote Travel RCSA where, due to the complexity, this was expanded to eight employees to ensure all aspects of remote travel were understood.

Once RCSAs are finalised by the department working groups, any observations and recommendations are submitted to the RMAC for noting and comment. All recommendations from the first three RCSA

were allocated to process owners to implement and address. Remote travel RCSA recommendations, which were completed in June 2016, will be addressed in the 2016–17 year and reassessed by a subsequent RCSA in the 2016–17 internal audit program to measure implementation of recommendations and ongoing level of risk.

The department will use both the Risk Assessment and Implementation Plan and outcomes of the Risk Control Self Assessments undertaken in 2015–16 to formulate an internal audit program for 2016–17, which will be approved by the Chief Executive and noted by the RMAC. There will be quarterly reporting to the Chief Executive, executive team and RMAC against the internal audit program.

The department is exploring internal resourcing availability for internal audit and compliance activities.

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## EXTERNAL AUDIT

External audits play a major role in the way the department is held accountable for its financial, compliance and performance outputs. External audits are managed and auditors appointed by the Auditor General of the Northern Territory. The Auditor General reports are tabled at Parliament twice a year and released publically. External audits are undertaken by external audit firms allocated through the Auditor General.

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## DELEGATIONS

During the 2015–16 financial year the following delegations were updated:

- Financial Delegations – 4 April 2016
- Procurement Delegations – 4 April 2016
- Human Resource delegations – 30 May 2016.

In June 2016 a presentation was delivered to the Executive Directors and Directors on their requirements under the *Public Sector Employment Management Act* (PSEMA), and the above delegations.

# RISK MANAGEMENT AND AUDIT COMMITTEE

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**The practice of risk management is recognised as being a core component of the department's governance framework.**

Risk management is defined through international standards as being an ongoing process of defined steps that support all levels of an organisation's management in decision-making processes. It provides a greater awareness of the risks to, and impacts upon, all aspects of business activity.

Auditing is an independent, objective, assurance and consulting activity, designed to add value and improve the department's operations, by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

The Governance Framework is designed to help implement decisions and monitoring governance processes, risk management activity and internal control mechanisms.

The department's framework is based on the use of a Risk Control Self Assessment (RCSA) methodology across the department.

The effectiveness of the RCSA process will be tested by an annual audit of the integrated RCSA process and the results reported to the Risk Management and Audit Committee (RMAC).

This structured process will:

- provide a source of autonomous risk management advice to the Chief Executive and executive management team
- identify the mechanism for establishing and maintaining an audit program that will provide for regular reviews of the processes impacted by major risks identified in the department's corporate documentation
- facilitate the implementation of a controlled self assessment program within the department
- provide a reporting arrangement for the RMAC on the adequacy of the risk management function
- identify any follow up actions necessary to ensure action plans are implemented to mitigate risk.

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## RISK MANAGEMENT AND AUDIT STANDARDS

The Risk Management Audit Committee promotes the use of appropriate risk management and audit policies, standards and procedures. It provides a level of independent advice to the Chief Executive on the role of overseeing the department's governance, risk and control frameworks, and its external accountability requirements.

The committee helps the Chief Executive meet the obligations of the Accountable Officer under Sections 13 and 15 of the *Financial Management Act*.

## PERFORMANCE MANAGEMENT

### Performance is measured by:

- monitoring and evaluating the progress of the annual risk management and audit plan
- annual review of audit performance by the Chief Executive and Risk Management Audit Committee (RMAC).

The RMAC tabled its first annual report to the Chief Executive on 21 June 2016.

The assessment of risk, control and compliance framework stated:

“Over the past 12 months the agency has been putting in place the necessary elements of a risk management, control and compliance framework. It is important that managers understand why this

framework is essential and that the agency’s culture reinforces and supports the incorporation of these considerations in day-to-day decision making.”

The overall assessment as at 30 June 2016 was:

“The department has established a sound foundation for risk management, operational controls and compliance monitoring over the past 12 months. It is recommended that the risk register be reviewed very early in the new financial year to ensure that it reflects the department’s assessment of current risks and that an internal audit program be developed for 2016–17, following that review, which examines the effectiveness of the controls in place to manage key risks. It is also recommended that, early in 2016–17, that director-level managers participate in a training session on risk management.”

## ACCOUNTABILITY

The Chief Executive, the RMAC and the Executive Director of Business Services are responsible for the effective implementation of this policy.

## AUTHORITY

The Chief Executive authorises the RMAC, within the scope of its role and responsibilities, to:

- obtain any information it needs from any employee and/or external party (subject to their legal obligation to protect information)
- discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations)
- request the attendance of any employee, including the Chief Executive at RMAC meetings
- obtain external legal or other professional advice, as considered necessary to meet its responsibilities.

## COMPOSITION AND TENURE

The RMAC will consist of at least five members, and no more than seven members. The Chief Executive will appoint the Chair and members of the Risk Management and Audit Committee. The Chair must be an independent member and is counted as one member of the RMAC.

Current members of the Risk Management and Audit Committee are:

- Graham Symons (Independent Chair)
- Jacqueline Dowling (Independent member)
- Noelene Swanson (Strategy and Community Development)
- Shaun Hardy (Local Government)
- Leeanne Forday (Language Services)
- Russel Wills (Office of Aboriginal Affairs)

- George Timson was the identified alternate member of the committee but was replaced by Christopher Hammond in June 2016.

Since the Risk Management and Audit Committee was established there have been six meetings up to the 30 June 2016 on the following dates.

- 29 June 2015
- 29 July 2015
- 22 September 2015
- 27 January 2016
- 6 April 2016
- 1 June 2016

The achievements for 2015–16 include:

- establishing the RMAC, including creating and approving the:
  - RMAC Charter
  - Governance Framework
  - Risk Management Guidelines
  - Guide for staff in evaluating risk in decision making
- consulting across the department and populating a Risk Assessment and Implementation Plan matrix that identifies priorities and treatment of risk
- establishing a Risk Assessment and Implementation working group (with divisional and regional representation) to drive mitigation actions against identified risks that require action. This working group does quarterly reporting to the RMAC and executive group
- adopting the Risk Control Self-Assessment (RCSA) methodology for internal audit purposes with target of three to four audits for the financial year.

- completing three Risk control self-Assessment activities completed and tabled at RMAC and communicated with responsible areas/ lead officers:

- Travel
- Procurement Tier 1
- Procurement Tier 2

- beginning the fourth RCSA in June 2016 and tabling it at the August 2016 meeting of the RMAC
- creating a Governance, Risk and Audit intranet page for all staff to access RMAC documents, delegations, conflict of interest, acceptance of gifts and benefits, and governance principles
- providing advice on range of policies and procedures required to be put in place for a newly formed department
- releasing a paper on the new ICT Governance Treasurer's Directions in 2015
- the Chief Finance Officer (CFO) confirmed that the Accounting and Property Manual was completed in April 2016
- delivering Mandated Procurement training by Department of Business in March 2016.

The priorities for 2016–17 include:

- the 2016–17 internal audit program
- regularly reviewing and assessing the risk register with the executive team, RMAC and Risk Working Group
- risk management training for department leaders and managers to influence the culture around risk
- complete four RCSAs per year that are identified through the risk register and incorporated in the internal audit program
- maintain a register of policies and procedures with a schedule for regular review by content owner.

# EXECUTIVE LEADERSHIP

## CORPORATE MANAGEMENT EXECUTIVE MEETINGS

The department's executive management team reviews and endorses finance and human resource (HR) policy and procedural changes as part of the monthly Corporate and Operations Executive meetings. These strategic discussions involve the full team and feedback is provided directly to the senior leaders of business services through this group. Changes to policies or procedures are approved through this meeting.

## INTERNAL AND EXTERNAL COMMUNICATION

The department regularly communicates internally through whole of agency emails, a monthly Chief Executive's newsletter and maintains a department intranet site. Executive Directors are responsible for ensuring intranet content is reviewed and policies and procedures updated regularly so that staff are aware of governance requirements across all areas.

The newsletter features a message from the Chief Executive highlighting activity over the past month and key messages around whole of government priorities, as well as stories that cover the work of each division, social club activities and staff movements.

Regular face to face briefings with all staff are held by the Chief Executive and Executive Directors to ensure everyone is across each division's role and priorities. In 2015-16, these were held in Alice Springs and Darwin with video conferencing used so staff in other locations could participate.

The department engages with external stakeholders Territory-wide and nationally in a variety of ways – often through face to face presentations or meetings

in urban, regional and remote communities. Public advertising is used to reach a broader audience as required. The department participates in meetings and forums with clients, including information sessions with local government councils and with outstation and homeland service providers throughout the year.

The department contributes project and staff achievement stories to the whole of government e-newsletters throughout the year.

The department sponsored a range of events in 2015-16, in particular the Office of Aboriginal Affairs, and set up displays to promote the office at many of these.

## WORK HEALTH AND SAFETY

Strategic work, health and safety (WHS) matters are discussed and addressed at Executive meetings.

An awareness of emergency management principles is essential across all Northern Territory Government departments. A core component of emergency management in the Northern Territory includes the Northern Territory Incident Control System (NTICS) and (WebEOC).



# COMMITTEES

## LOCAL GOVERNMENT DISCIPLINARY COMMITTEE

During 2015–16, a Local Government Disciplinary Committee was constituted to hear code of conduct complaints.

The committee consists of:

- a legal practitioner nominated by the Attorney-General
- a nominee of the Minister
- a nominee of the Local Government Association of the Northern Territory (LGANT).

In 2015–16, the department referred nine complaints to the committee.

## LOCAL GOVERNMENT ADMINISTRATION AND LEGISLATION ADVISORY COMMITTEE

The Local Government (Administration and Legislation) Advisory Committee is established under the Local Government (Administration) Regulations. The Chair is the Chief Executive Officer of LGANT and members are appointed as follows:

- a (further) person appointed by LGANT
- two members appointed by the department
- two members appointed by Local Government Managers Australia

- two council officers co-opted to the committee after a selection process approved by the minister.

The committee meets quarterly and advises the minister on matters such as rating, portability of long service leave, audit committees, electoral matters and other administration and legislation related issues.

## LOCAL GOVERNMENT ACCOUNTING AND ADVISORY COMMITTEE

The Local Government Accounting and Advisory Committee is established under the Local Government (Accounting) Regulations. The Chair is the member representing the Institute of Chartered Accountants and members are appointed by the Minister for Local Government as follows:

- two nominees of LGANT
- two nominees with experience in local government of the department
- two nominees of Local Government Managers Australia

- two nominees of the Institute of Chartered Accountants and Certified Practising Accountants of Australia
- two representatives of the Northern Territory Finance Reference Group.

The committee meets quarterly and advises the minister and the department on matters such as council investments, asset management, audit committees, financial sustainability, long-term financial plans, financial indicators and other financial management and accounting practices and legislation-related issues.

# STRATEGY AND PLANNING

The Department of Local Government and Community Services implements localised planning processes at the program and project level to ensure commitments are achieved, services delivered and programs effectively implemented.

## DEPARTMENT OF LOCAL GOVERNMENT AND COMMUNITY SERVICES STRATEGIC PLAN 2015-2018

### PROSPEROUS ECONOMY

- Plan and co-ordinate the future delivery of infrastructure investment and create opportunities for local business engagement and participation.
- Promote sustainability, transparency and compliance of the Local Government sector.
- Develop economic opportunities for Aboriginal Territorians.

### STRONG SOCIETY

- Engage with, and support, regional governance delivered through Local Authorities.
- Lead whole of government coordination of remote engagement and community development.
- Drive advancements in gender specific policies, programs and initiatives across the Northern Territory.

### OUR PURPOSE

Through community representation and engagement, strengthen economic and social development in regions and remote communities

### CONFIDENT CULTURE

- Promote recognition and respect for Aboriginal people, organisations, culture and language.
- Advance Aboriginal economic development.
- Ensure local voices are heard at the highest level of government.

### BALANCED ENVIRONMENT

- Encourage strong and productive working relationships between communities and government.
- Provide sustainable and reliable remote municipal and essential services for remote communities and Homelands.

### WE WILL DELIVER THIS THROUGH:

- Developing and improving sustainability of local government.
- Improving regional development through infrastructure in Homelands and Outstations.
- Improving community engagement through First Circles, Community Champions and coordinated remote engagement.
- Providing a high quality interpreting & translating service.
- Coordinating Government Aboriginal Affairs engagement, policy and program delivery.
- Creating a well governed organisation, supported with efficient business practices.
- Developing evidence-based policy advancing the social and emotional wellbeing of men and women in the Northern Territory, consistent with local Territory circumstances and contexts.

## OUR VALUES

**1 INNOVATION**  
We seek bold and creative solutions and strive for continuous improvement

**2 SOLUTION FOCUSED**  
We aim to solve problems through practical and realistic solutions

**3 COLLABORATIVE**  
We are a great team and get results through strong partnerships and engagement

**4 ACCOUNTABLE**  
We own our actions and take responsibility for our commitments



In 2016–17 the department will see an increased focus on strategic planning and divisional level business planning to ensure consistency of activity across the organisation. Business planning will be supplemented by quarterly reviews to ensure their currency and as a management tool to ensure outcomes are achieved.

# INFORMATION ACT

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The Department of Local Government and Community Services received three Freedom of Information applications in 2015–16. These applications resulted in some information being released in relation to two requests and one request received in late June 2016 remained open as at 30 June 2016.

Of the two applications, one application resulted in the provision of some information but the request for further information was withdrawn and the other request was withdrawn prior to the release of any information.

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## INSURANCE

The Northern Territory Government applies a self-insurance policy for its general government sector insurable risks. The self-insurance policy covers property and assets, workers compensation, public liability and professional indemnity related liabilities. The Department of Local Government and Community Services does not insure any assets outside this standard self-insurance approach.

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## LEGISLATION

The Department of Local Government and Community Services is responsible for complying with a range of legislation, as follows:

- *Anti-Discrimination Act*
- *Contracts Act*
- *Financial Management Act*
- *Information Act*
- *Procurement Act*
- *Public Information Act*
- *Public Sector Employment and Management Act*
- *Work Health and Safety (National Uniform Legislation) Act.*

The department is responsible for administering a range of legislation, as follows:

- *Cemeteries Act*
- *Crown Lands Act (Section 79)*
- *Jabiru Town Development Act*
- *Local Government (Katherine Rates) Act*
- *Local Government Act (except Chapter 8)*
- *Local Government Grants Commission Act*
- *Northern Territory Rates Act*
- *Nudity Act*
- *Pounds Act*
- *Status of Darwin Act*
- *Status of Palmerston Act.*

# WORKPLACE HEALTH AND SAFETY

Nine workplace health and safety incidents were reported across the Northern Territory to the Department of Local Government and Community Services in 2015–16.

None of these incidents involved serious accidents and the fact that they were reported demonstrates that the department has a strong culture of reporting all incidents so that corrective action can be taken to reduce or eliminate the possibility of similar future incidents.

There was no obvious pattern in the nature of these incidents, although three were categorised as body stressing and two were the result of being hit by objects, and each incident was quite different.

In 2014–15 three of eight incidents reported to the department related to bird (Peewee) attacks on staff, however no such incidents were reported this year.

No staff were involved in serious motor vehicle accidents in 2015–16, however one of the reported workplace health and safety incidents involved a motor vehicle accidents but the staff involved were not seriously injured.

Proactively dealing with ergonomic issues has been a target area this year and the seating set up of 25 staff was reviewed by an occupational therapist and corrective action taken where needed.

The department has introduced six sit/stand desks and more than 20 varidesks, which encourage employees to spend a greater percentage of time standing while working rather than always being seated.

	2014-15	2015-16	Variation
<b>Incidents by Financial Year</b>			
Incidents	8	9	+1
<b>Incidents by Category</b>			
Hit by Object	4	3	-1
Body Stressing	1	3	+2
Mental Factors	1	0	-1
Slips trips and falls	2	1	-1
Vehicle Incidents	0	1	+1
Hazard	0	1	+1
<b>Total</b>	<b>8</b>	<b>9</b>	<b>+1</b>

# CORPORATE SOCIAL RESPONSIBILITY

The Department of Local Government and Community Services takes seriously its responsibility to the staff of the department but also to the broader Northern Territory community.

The department has a well-supported staff social club that manages a number of events across the year to bring staff together in a relaxed and friendly environment and raise important funds for causes that are of importance to our staff and organisation.

In 2015–16, some of these events included:

- celebrating NAIDOC with a staff luncheon, which also hosted a number of community members, on 6 July 2015. The lunch feast was cooked and donated by staff, the dancing and entertainment was by the One Mob dancers and music by local artist Mandy Garling.
- as part of NAIDOC celebrations the department entered a team in the annual NAIDOC Golf Day, which worked to raise awareness for Darwin Region Indigenous Suicide Prevention Network.
- October 2015 saw the department host a Pink Ribbon Day Morning Tea, which celebrated the strength and resilience of women, raised awareness about breast and gynaecological cancers, and raised \$180 for prevention programs, support services and vital cancer research.
- Friday the 13th means many things to different people but this year it meant a great opportunity for the department to raise awareness of beyondblue, have fun dressing up in black and raised \$336 for beyondblue.

The department is committed to social responsibility through programs that include:

- waste management – recycled 48 600 cubic litres of waste paper, cardboard, plastic and aluminium
- supporting the Helping People Achieve organisation to raise funds for Downs Syndrome by contributing to their container collection program.

Other contributions included supporting Lifeline through Stack of Snack sales.



NAIDOC Lunch



# 05 Financial Report

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Reports on financial management including certification of the financial statements and audited financial statements.

# FINANCIAL STATEMENT OVERVIEW

## For the Year Ended 30 June 2016

The bulk of the Department of Local Government and Community Services' financial expenditure relates to operational and capital grants, which accounts for 87% of total expenditure, with a further 9% relating to personnel costs and the remaining 4% being operational costs.

In 2015-16 the Department of Local Government and Community Services spent \$281.5 million to deliver its primary objectives, which is an increase of \$28.4 million over and above the previous financial year. The \$28.4 million increase from 2014-15 is principally due to capital grant of \$22.2 million paid to Indigenous Essential Services Pty Ltd, and an increase in expenses, largely relating to the introduction of the Office of Aboriginal Affairs.

Income increased from \$250.9 million in 2014-15 to \$378.7 million in 2015-16, which is largely due to Commonwealth National Partnership funding received in 2015-16 for future years expenditure.

This resulted in the department recording an operating surplus of \$97.2 million during the 2015-16 financial year. This is an increase of \$99.4 million when compared to the 2014-15 result, which was a \$2.2 million deficit.

Total assets increased by \$101.7 million during 2015-16 or 253% due to higher cash at bank following the receipt of the above mentioned Commonwealth National Partnership funding in 2015-16 for future years expenditure. Liabilities increased by 1% or \$26 000 from the 2014-15 result.

### Actual and Budget Performance

	Actual		Final Budget		Variance	
	2016	2015	2016	2015	2016	2015
	\$000	\$000	\$000	\$000	\$000	\$000
Income	378 650	250 881	374 761	233 106	3 889	17 775
Expense	281 478	253 108	289 090	260 221	7 612	7 113
Surplus/(Deficit)	97 172	(2 227)	85 671	(27 115)	11 501	24 888
Other Comprehensive Income	71	-	-	-	71	-
Comprehensive Result	97 243	(2 227)	85 671	(27 115)	11 572	24 888

The department recorded a much larger comprehensive result in 2015-16 when compared to 2014-15 due to the receipt of a \$154.8 million Commonwealth National Partnership Agreement payment for municipal and essential services delivery. This amount was somewhat offset by the use of the department's cash balances to meet current programs and initiatives.

### Comprehensive Operating Statement Summary

	2016	2015	Variance	
	\$000	\$000	\$000	%
Income	378 650	250 881	127 769	51
Expense	281 478	253 108	28 370	11
Surplus/(Deficit)	97 172	(2 227)	99 399	
Other Comprehensive Income	71	-	71	
Comprehensive Result	97 243	(2 227)	99 470	

## Operating Income

Operating Income	2016	2016	2015	Variance	
	Estimate	Actuals	Actuals	\$000	%
	\$000	\$000	\$000	\$000	%
Grants and subsidies					
Current	30 188	30 240	71 270	(41 030)	( 58)
Capital	19 600	22 100	3 930	18 170	462
Appropriation					
Output	160 885	160 885	143 658	17 227	12
Commonwealth	158 525	158 525	25 060	133 465	533
Sales of goods and services	2 871	3 413	3 018	395	13
Goods and services received free of charge	2 692	3 399	2 727	672	25
Other income	-	88	1 218	(1 130)	( 93)
<b>Total income</b>	<b>374 761</b>	<b>378 650</b>	<b>250 881</b>	<b>127 769</b>	

The department's principle source of revenue for the 2015-16 financial year was government appropriation, both NT Government output appropriation and Commonwealth appropriation, consisting of \$319.4 million or 84% of total revenue. The remaining \$59.2 million is largely attributed to current and capital grants and subsidies revenue, which totalled \$52.3 million.

Total revenue increased by \$127.8 million from 2014-15 to 2015-16, which is largely associated with the aforementioned receipt of the \$154.8 million relating to the Commonwealth National Partnership Agreement.

Additional to this increase, the department's output appropriation increased by \$17.2 million or 12% principally due to the funding of the Office of Aboriginal Affairs. These increases were offset by the pre-payment of the Northern Territory 2015-16 Financial Assistance and Road Grants recorded in 2014-15.

## Operating Expenses

Operating Expenses	2016	2016	2015	Variance	
	Estimate	Actuals	Actuals	\$000	%
	\$000	\$000	\$000	\$000	%
Employee expenses	27 590	25 415	21 287	4 128	19
Administrative expenses					
Purchase of goods and services	9 179	8 130	8 319	( 189)	( 2)
Repairs and maintenance	29	48	1	47	4700
Depreciation and amortisation	-	11	17	( 6)	( 38)
Other Administrative expenses	2 692	3 452	2 786	666	24
Grants and subsidies					
Current grants	185 464	193 797	195 219	(1 422)	( 1)
Capital Grants	64 136	50 625	25 479	25 146	99
<b>Total expenses</b>	<b>289 090</b>	<b>281 478</b>	<b>253 108</b>	<b>28 371</b>	

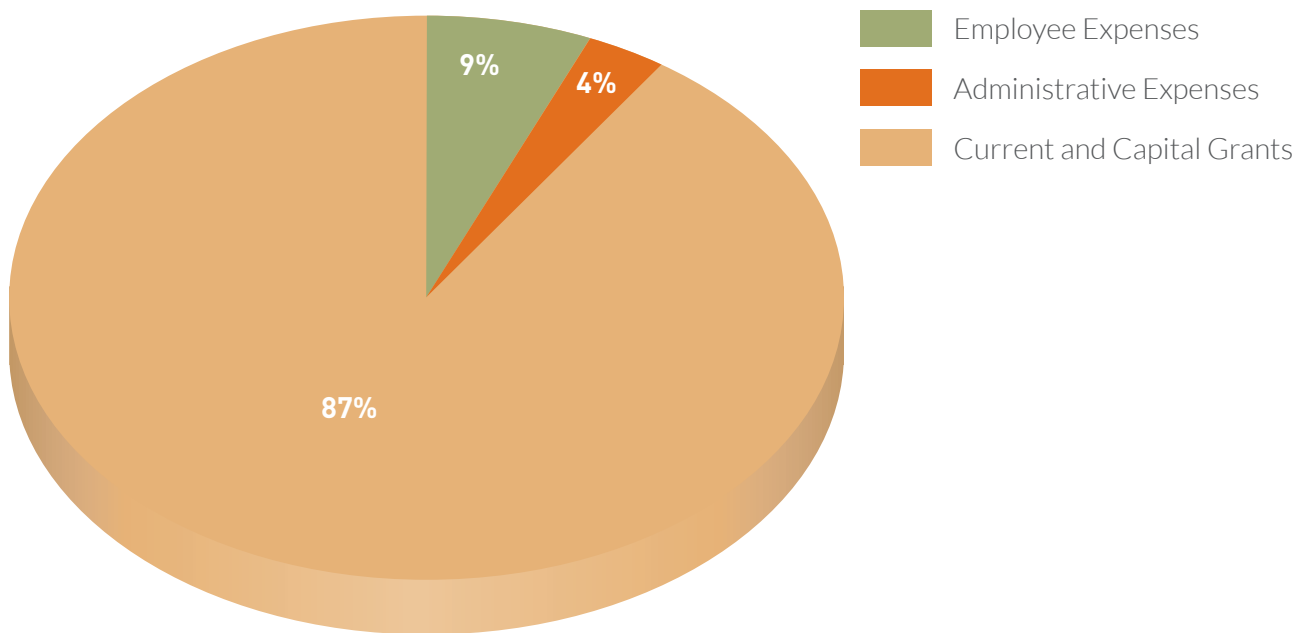
The department's operating expenses are predominantly made up of current and capital grant expenses, which equate to \$244.4 million or 87% of the total expenditure recorded in 2015-16. Approximately 9% or \$25.4 million of total expenditure was attributed to employee expenses.

Grant expenditure increased by \$23.7 million from the 2014-15 financial year mostly as a result of an additional \$22.1 million of support provided to the Indigenous Essential Services Pty Ltd for capital works in remote communities throughout the Territory.

The increase in grant expenditure, partnered with an additional \$4.1 million of employee expenses from the full establishment of the Office of Aboriginal Affairs and scheduled wage increases, has resulted in an overall increase to the department's expenditure of \$28.4 million from the 2014-15 financial year.

The department recorded a \$7.6 million underspend against its approved final budget for the year, consisting of a \$5.2 million against grants and \$2.2 million against employee expenses. This underspend directly relates to variations to cash flows for commonwealth funded programs. Approval will be sought to carry this underspend into the next financial year.

### Expenditure Categories



## Balance Sheet Summary

Balance Sheet	2016	2015	Variance	
	\$000	\$000	\$000	%
Assets	141 848	40 167	101 681	253
Liabilities	4 987	4 961	26	1
<b>Equity</b>	<b>136 861</b>	<b>35 206</b>	<b>101 655</b>	<b>289</b>

The department's assets predominately comprise of cash, receivables and property plant and equipment. The increase in assets is largely as a result of increased cash held from the receipt of the Commonwealth National Partnership Agreement.

Recognised liabilities mostly consist of employee provisions and deposits held in trust.

## Statement of changes in Equity - Summary

Statement of changes in Equity - Summary	2016	2015	Variance	
	\$000	\$000	\$000	%
Balance of equity at 1 July	35 206	37 591	(2 385)	(6)
Capital	41 423	36 940	4 483	12
Accumulated funds	95 438	(1 734)	97 172	5 604
<b>Balance of equity at 30 June</b>	<b>136 861</b>	<b>35 206</b>	<b>101 655</b>	<b>289</b>

The balance of equity has increased by \$101.7 million from the 2014-15 financial year as a result of the movements in assets and liabilities as mentioned above, partnered with inter-agency function transfers processed throughout the year.

## Statement of Cash Flows - Summary

Statement of Cash Flows - Summary	2016	2015	Variance	
	\$000	\$000	\$000	%
Cash at Beginning of the reporting period	32 869	36 148	(3 279)	(9)
Receipts	389 890	260 224	129 666	50
Payments	(294 737)	(263 384)	31 353	12
Financing receipts	34	40	(6)	(15)
Equity withdrawal / injections	4 300	(159)	4 459	(2 804)
<b>Cash at end of the reporting period</b>	<b>132 356</b>	<b>32 869</b>	<b>99 487</b>	<b>303</b>

The Cash Flow Statement summary provides details of actual cash movements throughout the year. It has highlighted the increased cash received from the Commonwealth National Partnership Agreement and inter-agency function transfers processed.



# CERTIFICATION OF THE FINANCIAL STATEMENTS

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We certify that the attached financial statements for the Department of Local Government and Community Services have been prepared from proper accounts and records in accordance with the prescribed format, the *Financial Management Act* and Treasurer's Directions.

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to, and forming, part of the financial statements presents fairly the financial performance and cash flows for the year ended 30 June 2016 and the financial position on that date.

At the time of signing, we are not aware of any circumstances that would render the particulars included in the financial statements misleading or inaccurate.



Mike Chiodo  
Chief Executive  
30 August 2016



Wati Kerta  
Chief Financial Officer  
29 August 2016

# COMPREHENSIVE OPERATING STATEMENT

For the year ended 30 June 2016

	Note	2016 \$000	2015 \$000
<b>INCOME</b>			
Grants and subsidies revenue			
Current		30 240	71 270
Capital		22 100	3 930
Appropriation			
Output		160 885	143 658
Commonwealth		158 525	25 060
Sales of goods and services		3 413	3 018
Goods and services received free of charge 1	4	3 399	2 727
Other income		88	1 218
<b>TOTAL INCOME</b>	<b>3</b>	<b>378 650</b>	<b>250 881</b>
<b>EXPENSES</b>			
Employee expenses		25 415	21 287
Administrative expenses			
Purchases of goods and services	5	8 130	8 319
Repairs and maintenance		48	1
Depreciation and amortisation	8	11	17
Other administrative expenses <sup>1</sup>		3 452	2 786
Grants and subsidies expenses			
Current		193 797	195 219
Capital		50 625	25 479
<b>TOTAL EXPENSES</b>	<b>3</b>	<b>281 478</b>	<b>253 108</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>97 172</b>	<b>(2 227)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation surplus		71	-
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>71</b>	<b>-</b>
<b>COMPREHENSIVE RESULT</b>		<b>97 243</b>	<b>(2 227)</b>

<sup>1</sup> Includes DCIS goods and services received free of charge.

The Comprehensive Operating Statement is to be read in conjunction with the notes to the financial statements.

# BALANCE SHEET

As at 30 June 2016

	Note	2016 \$000	2015 \$000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	6	132 356	32 869
Receivables	7	5 015	2 971
Advances		667	667
Prepayments		27	49
<b>Total Current Assets</b>		<b>138 065</b>	<b>36 556</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	8	3 783	3 611
<b>Total Non-Current Assets</b>		<b>3 783</b>	<b>3 611</b>
<b>TOTAL ASSETS</b>		<b>141 848</b>	<b>40 167</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits held in Trust	12	1 737	1 703
Payables	10	398	752
Provisions			
Provision for employee benefits	11	1 892	1 568
Provision for FBT, Payroll Tax & Super	11	331	352
<b>Total Current Liabilities</b>		<b>4 358</b>	<b>4 375</b>
<b>Non-Current Liabilities</b>			
Recreation Leave provision	11	629	586
<b>Total Non-Current Liabilities</b>		<b>629</b>	<b>586</b>
<b>TOTAL LIABILITIES</b>		<b>4 987</b>	<b>4 961</b>
<b>NET ASSETS</b>		<b>136 861</b>	<b>35 206</b>
<b>EQUITY</b>			
Capital		39 547	35 135
Asset revaluation surplus	13	1 876	1 805
Accumulated funds		95 438	(1 734)
<b>TOTAL EQUITY</b>		<b>136 861</b>	<b>35 206</b>

The Balance Sheet is to be read in conjunction with the notes to the financial statements.

# STATEMENT OF CHANGES IN EQUITY

## For the year ended 30 June 2016

	Note	Equity at 1 July \$000	Comprehensive result \$000	Transactions with owners in their capacity as owners \$000	Equity at 30 June \$000
<b>2015-16</b>					
<b>Accumulated Funds</b>		(1 734)	97 172	-	95 438
		(1 734)	97 172	-	95 438
<b>Asset revaluation surplus</b>	13	1 805	71	-	1 876
<b>Capital – Transactions with Owners</b>					
Equity injections					
Equity transfers in		5 846	-	112	5 958
Other equity injections		39 176	-	4 300	43 476
Equity withdrawals					
Capital withdrawal		(7 054)	-	-	(7 054)
Equity transfers out		(2 833)	-	-	(2 833)
		35 135	-	4 412	39 547
<b>Total Equity at End of Financial Year</b>		<b>35 206</b>	<b>97 243</b>	<b>4 412</b>	<b>136 861</b>
<b>2014-15</b>					
<b>Accumulated Funds</b>		493	(2 227)	-	(1 734)
		493	(2 227)	-	(1 734)
<b>Asset revaluation surplus</b>	13	1 805	-	-	1 805
<b>Capital – Transactions with Owners</b>					
Equity injections					
Equity transfers in		5 846	-	-	5 846
Other equity injections		39 176	-	-	39 176
Capital withdrawal		(6 895)	-	(159)	(7 054)
Equity transfers out		(2 834)	-	1	(2 833)
		35 293	-	(158)	35 135
<b>Total Equity at End of Financial Year</b>		<b>37 591</b>	<b>(2 227)</b>	<b>(158)</b>	<b>35 206</b>

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

# CASH FLOW STATEMENT

For the year ended 30 June 2016

	Note	2016 \$000	2015 \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current		30 240	71 270
Capital		22 100	3 930
Appropriation			
Output		160 885	143 658
Commonwealth		158 525	25 060
Receipts from sales of goods and services		18 140	16 306
<b>Total Operating Receipts</b>		<b>389 890</b>	<b>260 224</b>
<b>Operating Payments</b>			
Payments to employees		(25 509)	(21 061)
Payments for goods and services		(24 806)	(21 625)
Grants and subsidies paid			
Current		(193 797)	(195 219)
Capital		(50 625)	(25 479)
<b>Total Operating Payments</b>		<b>(294 737)</b>	<b>(263 384)</b>
<b>Net Cash From/(Used in) Operating Activities</b>	<b>14</b>	<b>95 153</b>	<b>(3 160)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Deposits received		34	40
Equity injections			
Other equity injections		4 300	-
<b>Total Financing Receipts</b>		<b>4 334</b>	<b>40</b>
<b>Financing Payments</b>			
Equity withdrawals		-	(159)
<b>Total Financing Payments</b>		<b>-</b>	<b>(159)</b>
<b>Net Cash From/(Used in) Financing Activities</b>		<b>4 334</b>	<b>(119)</b>
Net increase/(decrease) in cash held		99 487	(3 279)
Cash at beginning of financial year		32 869	36 148
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>6</b>	<b>132 356</b>	<b>32 869</b>

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.



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## 1. OBJECTIVES AND FUNDING

Our primary role is to build stronger regions and communities through effective local government; to deliver and coordinate critical and essential infrastructure projects and services to remote communities; and provide interpreting and translating services to support members of our community who speak a language other than English.

We are responsible for delivering an improved remote engagement model aimed at helping Aboriginal people and their communities realise their economic and social aspirations, including through the Community Champions Program. We are responsible for promoting safety, equality and participation of women in the Territory, and improving Northern Territory men's policy and services.

Additional information in relation to the Department of Local Government and Community Services and its principal activities may be found throughout the Annual Report.

The department is predominantly funded by, and is dependent on, the receipt of parliamentary appropriations. The financial statements encompass all funds through which the agency controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the agency are summarised into several output groups. Note 3 provides summary financial information in the form of a Comprehensive Operating Statement by output group.

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a. Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires the Department of Local Government and Community Services to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements is to include:

- (i) a Certification of the Financial Statements;
- (ii) a Comprehensive Operating Statement;
- (iii) a Balance Sheet;
- (iv) a Statement of Changes in Equity;
- (v) a Cash Flow Statement; and
- (vi) applicable explanatory notes to the financial statements.

### b. Basis of Accounting

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. As part of the preparation of the financial statements, all intraagency transactions and balances have been eliminated.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

The form of the agency financial statements is also consistent with the requirements of Australian Accounting Standards. The effects of all relevant new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

The following new and revised accounting standards and interpretations were effective for the first time in 2015-16:

#### **AASB 1048 Interpretation of Standards**

This reflects amended versions of Interpretations arising in relation to amendments to AASB 9 Financial Instruments and consequential amendments arising from the issuance of AASB 15 Revenue from Contracts with Customers. The standard does not impact the financial statements.

#### **AASB 2013-9 Amendments to Australian Accounting Standards [Part C Financial Instruments]**

Part C of this Standard amends AASB 9 Financial Instruments to add Chapter 6 Hedge accounting and makes consequential amendments to AASB 9 and numerous other Standards. The standard does not impact the financial statements.

#### **AASB 2014-8 Amendments to Australian Accounting Standards arising from AASB 9**

This Standard makes amendments to AASB 9 Financial Instruments (December 2009) and AASB 9 Financial Instruments (December 2010). These amendments arise from the issuance of AASB 9 Financial Instruments in December 2014. The standard does not impact the financial statements.

#### **AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality**

The standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing the standard to effectively be withdrawn. The standard does not impact the financial statements.

#### **AASB 2015-4 Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent**

Amendments are made to AASB 128 Investments in Associates and Joint ventures to require the ultimate Australian entity to apply the equity method in accounting for interests in associates and joint ventures, if either the entity or the group is a reporting entity, or both the entity and group are reporting entities. The standard does not impact the financial statements.

#### **AASB 2014-1 Amendments to Australian Accounting Standards (Part E - Financial Instruments)**

Part E of this Standard defers the application date of AASB 9 Financial Instruments to annual reporting periods beginning on or after 1 January 2018. The standard does not impact the financial statements.

The following standards and interpretations are likely to have an insignificant impact on the financial statements for future reporting periods, but the exact impact is yet to be determined:

<b>Standard/Interpretation</b>	<b>Effective for annual reporting periods beginning on or after</b>
AASB 9 Financial Instruments (December 2014), AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)	1 January 2018
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2018
AASB 1056 Superannuation Entities	1 July 2016
AASB 14 Regulatory Deferral Accounts	1 January 2016
AASB 1057 Application of Accounting Standards	1 January 2016
AASB 2014-1 Amendments to Australian Accounting Standards [Part D Consequential arising from AASB 14 Regulatory Deferral Accounts]	1 January 2016
AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 and AASB 11]	1 January 2016
AASB 2014-16 Amendments to Australian Accounting Standards - Agriculture: Bearer Plants [AASB 101, 116, 117, 123, 136, 140 and 141]	1 January 2016
AASB 2015-5 Amendments to Australian Accounting Standards - Investment Entities: Applying the Consolidation Exception [AASB 10, 12 and 128]	1 January 2016
AASB 2015-9 Amendments to Australian Accounting Standards - Scope and Application Paragraphs [AASB 8, 133 and 1057]	1 January 2016
AASB 2015-10 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128	1 January 2016
AASB 2016-1 Amendments to Australian Accounting Standards-Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]	1 January 2017

The following standards and interpretations are expected to have a potential impact on the financial statements for future reporting periods:

<b>Standard/Interpretation</b>	<b>Effective for annual reporting periods beginning on or after</b>	<b>Impact</b>
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 and 1049]	1 July 2016	New note disclosure to include remuneration of Key Management Personnel (KMP) and related party transactions.
2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107	1 January 2017	New disclosure on the reconciliation of the changes in liabilities arising from financing activities
AASB 16 Leases	1 January 2019	Reclassification of operating leases greater than 12 months to finance lease reporting requirements
AASB 9 Financial Instruments	1 January 2018	Simplified requirements for classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier as opposed to only when incurred
AASB 15 Revenue from Contracts with Customers	1 January 2018	Requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	1 January 2018	Amends various AAS's to reflect the deferral of the mandatory application date of AASB 9
AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 and AASB 138]	1 January 2016	Provides additional guidance on how the depreciation or amortisation of property, plant and equipment and intangible assets should be calculated and clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate.
AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	1 January 2017	Amends the measurement of trade receivables and the recognition of dividends.
AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9	1 January 2018	Amends various AAS's to reflect the changes as a result of AASB 9
AASB 2014-9 Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 and 128]	1 January 2016	Allows an entity to account for investments in subsidiaries, joint ventures and associates in its separate financial statement at cost or using the equity method.
AASB 2015-1 Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-14 Cycle [AASB 1, 2, 3,5, 7, 11, 110, 119, 121, 133, 134,137 and 140]	1 January 2016	The amendments include AASB 5 change in methods of disposal; AASB 7 Servicing contracts and applicability of the amendments to AASB 7 to condensed interim financial statements; AASB 119 Discount rate: regional market issue and AASB 134 Disclosure of information 'elsewhere in the interim financial report.



### c. Reporting Entity

The financial statements cover the department as an individual reporting entity. The Department of Local Government and Community Services (“the department”) is a Northern Territory department established under the *Interpretation Act* Administrative Arrangements Order. The principal place of business of the department is: 83-85 Smith Street, Darwin NT 0801.

### d. Agency and Territory Items

The financial statements of the department include income, expenses, assets, liabilities and equity over which the Department of Local Government and Community Services has control (Agency items). Certain items, while managed by the agency, are controlled and recorded by the Territory rather than the agency (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

#### Central Holding Authority

The Central Holding Authority is the ‘parent body’ that represents the government’s ownership interest in Government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by agencies on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the agency’s financial statements. However, the department does not collect any Territory items on behalf of the Central Holding Authority.

### e. Comparatives

Where necessary, comparative information for the 2014-15 financial year has been reclassified to provide consistency with current year disclosures.

### f. Presentation and Rounding of Amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding.

### g. Changes in Accounting Policies

There have been no changes to accounting policies adopted in 2015-16 as a result of management decisions.

### h. Accounting Judgments and Estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements. Notes that include significant judgments and estimates are:

- Employee Benefits – Note 2(t) and Note 11: Non-current liabilities in respect of employee benefits are measured as the present value of estimated future cash outflows based on the appropriate Government bond rate, estimates of future salary and wage levels and employee periods of service.
- Property, Plant and Equipment – Note 2(p): The fair value of land and property, plant and equipment are determined on significant assumptions of the exit price and risks in the perspective market participant, using the best information available.
- Allowance for Impairment Losses – Note 2(q), Note 7: Receivables and Note 15: Financial Instruments. The allowance represents debts that are likely to be uncollectible and are considered doubtful. Debtors are grouped according to their aging profile and history of previous financial difficulties.
- Depreciation and Amortisation – Note 2(l), and Note 8: Property, Plant and Equipment.

#### i. Goods and Services Tax

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

#### j. Income Recognition

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

#### Grants and Other Contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the agency obtains control over the assets comprising the contributions. Control is normally obtained upon receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

## Appropriation

Output appropriation is the operating payment to each agency for the outputs they provide and is calculated as the net cost of agency outputs after taking into account funding from agency income. It does not include any allowance for major non-cash costs such as depreciation.

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in Specific Purpose Payments (SPPs) and National Partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then onpassed to the relevant agencies as Commonwealth appropriation.

Revenue in respect of appropriations is recognised in the period in which the agency gains control of the funds.

## Sale of Goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer;
- the agency retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be reliably measured;
- it is probable that the economic benefits associated with the transaction will flow to the agency; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## Rendering of Services

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

## Interest Revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

## Goods and Services Received Free of Charge

Goods and services received free of charge are recognised as revenue when a fair value can be reliably determined and the resource would have been purchased if it had not been donated. Use of the resource is recognised as an expense.

## Disposal of Assets

A gain or loss on disposal of assets is included as a gain or loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal.

## Contributions of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being nonreciprocal transfers, are recognised, unless otherwise determined by Government, as gains when the agency obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

### k. Repairs and Maintenance Expense

Funding is received for repairs and maintenance works associated with agency assets as part of output appropriation. Costs associated with repairs and maintenance works on agency assets are expensed as incurred.

### l. Depreciation and Amortisation Expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions and are determined as follows:

	2016	2015
Plant and Equipment	5 years	5 years
Leased Plant and Equipment	10 years	10 years

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

### m. Cash and Deposits

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner – refer also to Note 19.

### n. Receivables

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 15 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable are generally settled within 30 days.

### o. Prepayments

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

### p. Property, Plant and Equipment

#### Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$10 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$10 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

### Complex Assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

### Subsequent Additional Costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the agency in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

### Construction (Work in Progress)

As part of the financial management framework, the Department of Infrastructure is responsible for managing general government capital works projects on a whole of Government basis. Therefore, appropriation for all agency capital works is provided directly to the Department of Infrastructure and the cost of construction work in progress is recognised as an asset of that Department. Once completed, capital works assets are transferred to the agency.

## q. Revaluations and Impairment

### Revaluation of Assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land

Leased Property, plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

### Impairment of Assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current agency assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's depreciated replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Comprehensive Operating Statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 13 provides additional information in relation to the asset revaluation surplus.

## r. Leased Assets

Leases under which the agency assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.



## Finance Leases

Finance leases are capitalised. A lease asset and lease liability equal to the lower of the fair value of the leased property and present value of the minimum lease payments, each determined at the inception of the lease, are recognised.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

## Operating Leases

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

### s. Payables

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 30 days.

### t. Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within twelve months of reporting date are classified as current liabilities and are measured at amounts expected to be paid. Non-current employee benefit liabilities that fall due after twelve months of the reporting date are measured at present value, calculated using the Government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave, sick leave and other leave entitlements; and
- other types of employee benefits.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of Government agencies, including the Department of Local Government and Community Services and as such, no long service leave liability is recognised in agency financial statements.

### u. Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS);
- Commonwealth Superannuation Scheme (CSS); or
- non-government employee-nominated schemes for those employees commencing on or after 10 August 1999.

The agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in agency financial statements.

## v. Contributions by and Distributions to Government

The agency may receive contributions from Government where the Government is acting as owner of the agency. Conversely, the agency may make distributions to Government. In accordance with the *Financial Management Act* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, Government. These designated contributions and distributions are treated by the agency as adjustments to equity.

The Statement of Changes in Equity provides additional information in relation to contributions by, and distributions to, Government.

## w. Commitments

Disclosures in relation to capital and other commitments, including lease commitments are shown at Note 16.

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

## x. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised on the Balance Sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits; receivables; advances and payables. Note 15 provides additional information on financial instruments.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments Presentation. These include statutory receivables arising from taxes including GST. The agency is not exposed to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk.

### Classification of Financial Instruments

AASB 7 Financial Instruments: Disclosures requires financial instruments to be classified and disclosed within specific categories depending on their nature and purpose.

Financial assets are classified into the following categories:

- financial assets at fair value through profit or loss;
- held-to-maturity investments;
- loans and receivables; and
- available-for-sale financial assets.

Financial liabilities are classified into the following categories:

- financial liabilities at fair value through profit or loss (FVTPL); and
- financial liabilities at amortised cost.

The Agency only holds financial assets categorised as fair value through profit or loss; and loans and receivables.

### Financial Assets or Financial Liabilities at Fair Value through Profit or Loss

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL.

An instrument is classified as held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term with an intention of making a profit; or
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

A financial instrument may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the instrument forms part of a group of financial instruments, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 Financial Instruments: Recognition and Measurement permits the contract to be designated as at FVTPL.
- Financial liabilities at fair value through profit or loss include deposits held excluding statutory deposits, accounts payable and accrued expenses. Financial assets at fair value through profit or loss include short-term securities and bonds.

### Loans and Receivables

For details refer to Note 2 (n), but exclude statutory receivables. Note 15 provide additional information on financial instruments.

## y. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use takes into account the use of the asset that is physically possible, legally permissible and financially feasible.

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs are unobservable.

### 3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

	Note	Regional Services			Language Services			Strategy and Community Development			Local Government and Regions			Office of Aboriginal Affairs			Corporate and Governance			Total		
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
<b>INCOME</b>		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	
Grants and subsidies																						
Current		12 075	19 626	1 558	1 577	93	354	16 514	49 713	-	-	-	-	-	-	-	-	-	-	-	30 240	71 270
Capital		20 350	3 930	-	-	-	-	-	-	1 750	-	-	-	-	-	-	-	-	-	-	22 100	3 930
Appropriation																						
Output		85 501	81 885	1 527	1 512	3 541	3 774	53 379	51 390	13 842	2 461	2 461	2 461	2 461	3 095	2 636	160 885	143 658				
Commonwealth		154 821	20 879	3 704	3 857	-	324	-	-	-	-	-	-	-	-	-	158 525	25 060				
Sales of goods and services		-	-	1 012	1 026	480	-	1 916	1 815	-	100	100	100	77	5	77	3 413	3 018				
Goods and services received free of charge	4	680	545	340	273	680	545	1 019	819	680	545	545	545	-	-	-	3 399	2 727				
Other income		43	629	1	3	12	-	11	568	-	-	-	-	-	21	18	88	1 218				
<b>TOTAL INCOME:</b>		<b>273 470</b>	<b>127 494</b>	<b>8 142</b>	<b>8 248</b>	<b>4 806</b>	<b>4 997</b>	<b>72 839</b>	<b>104 305</b>	<b>16 272</b>	<b>3 106</b>	<b>3 106</b>	<b>3 106</b>	<b>3 121</b>	<b>2 731</b>	<b>378 650</b>	<b>250 881</b>					
<b>EXPENSES</b>																						
Employee Expenses		3 568	3 680	7 085	6 961	2 992	2 293	5 258	4 600	3 449	1 393	1 393	1 393	3 064	2 360	25 416	21 287					
Administrative Expenses																						
Purchases of Goods and Services	5	1 678	2 221	1 846	2 220	1 041	943	1 352	1 991	1 284	370	370	370	929	574	8 130	8 319					
Repairs & Maintenance		32	-	-	-	-	-	-	-	-	-	-	-	16	1	48	1					
Depreciation and Amortisation	8	-	-	-	-	-	-	-	-	-	-	-	-	11	17	11	17					
Other Administrative Expenses		690	546	345	273	690	545	1 036	818	690	545	545	545	-	59	3 451	2 786					
Grants and Subsidies																						
Current		104 851	101 142	-	-	242	837	84 004	93 040	4 700	200	200	200	-	-	193 797	195 219					
Capital		50 625	25 463	-	-	-	-	-	16	-	-	-	-	-	-	50 625	25 479					
<b>TOTAL EXPENSES:</b>		<b>161 444</b>	<b>133 052</b>	<b>9 276</b>	<b>9 454</b>	<b>4 965</b>	<b>4 618</b>	<b>91 650</b>	<b>100 465</b>	<b>10 123</b>	<b>2 508</b>	<b>2 508</b>	<b>2 508</b>	<b>4 020</b>	<b>3 011</b>	<b>281 478</b>	<b>253 108</b>					
<b>NET SURPLUS/(DEFICIT)</b>		<b>112 026</b>	<b>(5 558)</b>	<b>(1 134)</b>	<b>(1 206)</b>	<b>(1 59)</b>	<b>379</b>	<b>(18 811)</b>	<b>3 840</b>	<b>6 149</b>	<b>598</b>	<b>598</b>	<b>598</b>	<b>(899)</b>	<b>(280)</b>	<b>97 172</b>	<b>(2 227)</b>					
<b>OTHER COMPREHENSIVE INCOME</b>																						
Asset Revaluation Reserve		-	-	-	-	-	-	71	-	-	-	-	-	-	-	71	-					
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71</b>	<b>-</b>					
<b>COMPREHENSIVE RESULT</b>		<b>112 026</b>	<b>(5 558)</b>	<b>(1 134)</b>	<b>(1 206)</b>	<b>(1 59)</b>	<b>379</b>	<b>(18 740)</b>	<b>3 840</b>	<b>6 149</b>	<b>598</b>	<b>598</b>	<b>598</b>	<b>(899)</b>	<b>(280)</b>	<b>97 243</b>	<b>(2 227)</b>					

This Comprehensive Operating Statement by output group is to be read in conjunction with the notes to the financial statements.

	2016	2015
	\$000	\$000
<b>4. GOODS AND SERVICES RECEIVED FREE OF CHARGE</b>		
Corporate and information services	3 399	2 727
	<b>3 399</b>	<b>2 727</b>
<b>5. PURCHASES OF GOODS AND SERVICES</b>		
The net surplus/(deficit) has been arrived at after charging the following expenses:		
<b>Goods and services expenses:</b>		
Consultants <sup>(1)</sup>	1 349	723
Advertising <sup>(2)</sup>	8	21
Marketing and promotion <sup>(3)</sup>	306	140
Document production	47	56
Legal expenses <sup>(4)</sup>	421	694
Recruitment <sup>(5)</sup>	15	35
Training and study	360	160
Official duty fares	812	594
Travelling allowance	363	242
Agent service arrangements	18	597
Motor vehicle expenses	871	697
Property Management	498	470
Information Technology Charges	935	717
Communications	365	315
Accommodation	480	372
Interpreting & Translating Services	349	571
Survey Expenses	401	1 277
Other Expenses	532	638
	<b>8 130</b>	<b>8 319</b>
<sup>(1)</sup> Includes marketing, promotion and IT consultants.		
<sup>(2)</sup> Does not include recruitment, advertising or marketing and promotion advertising.		
<sup>(3)</sup> Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.		
<sup>(4)</sup> Includes legal fees, claim and settlement costs.		
<sup>(5)</sup> Includes recruitment-related advertising costs.		
<b>6. CASH AND DEPOSITS</b>		
Cash at bank	132 355	32 868
Cash on hand	1	1
	<b>132 356</b>	<b>32 869</b>

	2016	2015
	\$000	\$000
<b>7. RECEIVABLES</b>		
<b>Current</b>		
Accounts receivable	701	425
Less: Allowance for impairment losses	(53)	-
	<b>648</b>	<b>425</b>
GST receivables	4 367	2 540
Other receivables	-	6
	<b>5 015</b>	<b>2 971</b>
<b>Non-Current</b>		
Other receivables	-	-
	-	-
<b>Total Receivables</b>	<b>5 015</b>	<b>2 971</b>

## 8a. PROPERTY, PLANT AND EQUIPMENT

### Land

At fair value

3 670      3 599

### Leased Property, Plant and Equipment

At capitalised cost

125      42

Less: Accumulated depreciation

(12)      (30)

113      12

### Total Property, Plant and Equipment

**3 783      3 611**

## 8b. PROPERTY, PLANT AND EQUIPMENT

	Land	Leased Property, Plant and Equipment	Total
	\$000	\$000	\$000
<b>2016 Property, Plant and Equipment Reconciliations</b>			
A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2015-16 is set out below:			
<b>Carrying Amount as at 1 July 2015</b>	<b>3 599</b>	<b>12</b>	<b>3 611</b>
Depreciation	-	(11)	(11)
Additions from asset transfers	-	112	112
Revaluation increments	71	-	71
<b>Carrying Amount as at 30 June 2016</b>	<b>3 670</b>	<b>113</b>	<b>3 783</b>

### 2015 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2014-15 is set out below:

<b>Carrying Amount as at 1 July 2014</b>	<b>3 599</b>	<b>150</b>	<b>3 749</b>
Depreciation	-	(17)	(17)
Impairment losses	-	(121)	(121)
<b>Carrying Amount as at 30 June 2015</b>	<b>3 599</b>	<b>12</b>	<b>3 611</b>



## 9. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

### a. Fair Value Hierarchy

Fair values of non-financial assets categorised by levels of inputs used to compute fair value are:

	Level 1	Level 2	Level 3	Total Fair Value
	\$000	\$000	\$000	\$000
<b>2015-16</b>				
<b>Asset Classes</b>				
Land (Note 8)	-	-	3 670	3 670
Leased Property, Plant and Equipment (Note 8)	-	-	113	113
<b>Total</b>	-	-	<b>3 783</b>	<b>3 783</b>

### 2014-15

#### Asset Classes

Land (Note 8)	-	-	3 599	3 599
Leased Property, Plant and Equipment (Note 8)	-	-	12	12
<b>Total</b>	-	-	<b>3 611</b>	<b>3 611</b>

There were no transfers between Level 1 and Levels 2 or 3 during 2015-16.

### b. Valuation Techniques and Inputs

Valuation techniques used to measure fair value in 2015-16 are:

	Level 2	Level 3
	Techniques	Techniques
<b>Asset Classes</b>		
Land Under Cemeteries		Cost
Leased Property, Plant and Equipment		Cost

There were no changes in valuation techniques from 2014-15 to 2015-16.

### c. Additional Information for Level 3 Fair Value Measurements

Reconciliation of Recurring Level 3 Fair Value Measurements

	Land	Leased Property, Plant and Equipment	Total
	\$000	\$000	\$000
<b>2015-16</b>			
<b>Fair value as at 1 July 2015</b>	<b>3 599</b>	<b>12</b>	<b>3 611</b>
Additions	-	112	112
Depreciation	-	(11)	(11)
Revaluation increments	71	-	71
<b>Fair value as at 30 June 2016</b>	<b>3 670</b>	<b>113</b>	<b>3 783</b>
<b>2014-15</b>			
<b>Fair value as at 1 July 2014</b>	<b>3 599</b>	<b>150</b>	<b>3 749</b>
Depreciation	-	(17)	(17)
Impairment	-	(121)	(121)
<b>Fair value as at 30 June 2015</b>	<b>3 599</b>	<b>12</b>	<b>3 611</b>

	2016	2015
	\$000	\$000
<b>10. PAYABLES</b>		
Accounts payable	173	47
Accrued expenses	225	705
<b>Total Payables</b>	<b>398</b>	<b>752</b>
<b>11. PROVISIONS</b>		
<b>Current</b>		
Employee benefits		
Recreation leave	1 579	1 285
Leave loading	287	257
Recreation Leave Fares	26	25
<b>Other current provisions</b>		
Provision for Fringe Benefit Tax	37	26
Provision for Payroll Tax	143	148
Provision for Employer Super Contribution	151	179
	2 223	1 920
<b>Non-Current</b>		
Employee benefits		
Recreation leave	629	586
	629	586
<b>Total Provisions</b>	<b>2 852</b>	<b>2 506</b>
<b>12. OTHER LIABILITIES</b>		
<b>Current</b>		
Deposits Held in Trust	1 737	1 703
<b>Total Other Liabilities</b>	<b>1 737</b>	<b>1 703</b>
<b>13. RESERVES</b>		
<b>Asset Revaluation Surplus</b>		
<i>(i) Nature and purpose of the asset revaluation surplus</i>		
The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current assets. Impairment adjustments may also be recognised in the asset revaluation surplus.		
<i>(ii) Movements in the asset revaluation surplus</i>		
<b>Balance as at 1 July</b>	<b>1 805</b>	<b>1 805</b>
Increment- land	71	-
<b>Balance as at 30 June</b>	<b>1 876</b>	<b>1 805</b>

## 14. NOTES TO THE CASH FLOW STATEMENT

### Reconciliation of Cash

The total of agency 'Cash and deposits' of \$132 356 Million recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

### Reconciliation of Net Surplus/(Deficit) to Net Cash from Operating Activities

	2016 \$000	2015 \$000
<b>Net Surplus/(Deficit)</b>	<b>97 172</b>	<b>(2 227)</b>
Non-cash items:		
Depreciation and amortisation	11	17
Asset write-offs/write-downs	-	121
R&M - Minor New Work Non Cash	-	1
Changes in assets and liabilities:		
(Increase) in receivables	(2 044)	(1 532)
Decrease in prepayments	22	9
(Decrease)/Increase in payables	(354)	225
Increase in provision for employee benefits	368	187
(Decrease)/Increase in provision for FBT, Payroll Tax & Super	(22)	39
<b>Net Cash from Operating Activities</b>	<b>95 153</b>	<b>(3 160)</b>

## 15. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments held by the department include cash and deposits, receivables, payables and advances. The department has limited exposure to financial risks as discussed below.

### a. Categorisation of Financial Instruments

The carrying amounts of the agency's financial assets and liabilities by category are disclosed in the table below.

	Designated at fair value through profit or loss	Total
	\$000	\$000
<b>2015-16 Categorisation of Financial Instruments</b>		
Cash and deposits	132 356	132 356
Receivables <sup>1</sup>	648	648
Advances	667	667
Prepayments	27	27
<b>Total Financial Assets</b>	<b>133 698</b>	<b>133 698</b>
Payables <sup>1</sup>	398	398
Provision for employee benefits	2 521	2 521
Provision for FBT, Payroll Tax & Super	331	331
<b>Total Financial Liabilities</b>	<b>3 250</b>	<b>3 250</b>
<b>2014-15 Categorisation of Financial Instruments</b>		
Cash and deposits	32 869	32 869
Receivables <sup>1</sup>	430	430
Advances	667	667
Prepayments	49	49
<b>Total Financial Assets</b>	<b>34 015</b>	<b>34 015</b>
Payables <sup>1</sup>	752	752
Provision for employee benefits	2 154	2 154
Provision for FBT, Payroll Tax & Super	352	352
<b>Total Financial Liabilities</b>	<b>3 258</b>	<b>3 258</b>

<sup>1</sup> Total amounts disclosed here exclude statutory amounts. Amounts have been restated to exclude GST.

### b. Credit Risk

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the agency has adopted a policy of only dealing with credit worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

## Receivables

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and aging analysis of receivables is presented below.

	Aging of Receivables	Aging of Impaired Receivables	Net Receivables
	\$000	\$000	\$000
<b>Internal Receivables<sup>(a)</sup></b>			
<b>2015-16</b>			
Not overdue	435	-	435
<b>Total</b>	<b>435</b>	<b>-</b>	<b>435</b>
<b>2014-15</b>			
Overdue for less than 30 days	7	-	7
<b>Total</b>	<b>7</b>	<b>-</b>	<b>7</b>
<b>External Receivables<sup>(a)</sup></b>			
<b>2015-16</b>			
Not overdue	158	-	158
Overdue for less than 30 days	5	-	5
Overdue for 30 to 60 days	2	-	2
Overdue for more than 60 days	101	(53)	48
<b>Total</b>	<b>266</b>	<b>(53)</b>	<b>213</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>			
Opening balance	-	-	-
Increase in allowance recognised in profit or loss	-	53	-
<b>Total</b>	<b>-</b>	<b>53</b>	<b>-</b>
<b>2014-15</b>			
Not overdue	330	-	330
Overdue for less than 30 days	12	-	12
Overdue for 30 to 60 days	3	-	3
Overdue for more than 60 days	78	-	78
<b>Total</b>	<b>423</b>	<b>-</b>	<b>423</b>
<b>Reconciliation of the Allowance for Impairment Losses</b>			
Opening	-	63	-
Written off during the year	-	-	-
Recovered during the year	-	(63)	-
Increase in allowance recognised in profit or loss	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>(a)</sup> Internal receivables are from entities controlled by the NTG (entities listed in TAFR 2015-16

Note 41: Details of Controlled Entities at Reporting Date), whereas external receivables are from third parties external to the NTG.

### c. Liquidity Risk

Liquidity risk is the risk that the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the agency's remaining contractual maturity for its financial assets and liabilities.

	Non Interest Bearing	Total
	\$000	\$000
<b>2016 Maturity analysis for financial assets and liabilities</b>		
<b>Assets</b>		
Cash and deposits	132 356	132 356
Receivables	648	648
Advances	667	667
Prepayments	27	27
<b>Total Financial Assets</b>	<b>133 698</b>	<b>133 698</b>
<b>Liabilities</b>		
Payables	398	398
Provision for employee benefits	2 521	2 521
Provision for FBT, Payroll Tax & Super	331	331
<b>Total Financial Liabilities</b>	<b>3 250</b>	<b>3 250</b>
<b>2015 Maturity analysis for financial assets and liabilities</b>		
<b>Assets</b>		
Cash and deposits	32 869	32 869
Receivables	430	430
Advances	667	667
Prepayments	49	49
<b>Total Financial Assets</b>	<b>34 015</b>	<b>34 015</b>
<b>Liabilities</b>		
Payables	752	752
Provision for employee benefits	2 154	2 154
Provision for FBT, Payroll Tax & Super	352	352
<b>Total Financial Liabilities</b>	<b>3 258</b>	<b>3 258</b>

### d. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

#### (i) Interest Rate Risk

The department is not exposed to interest rate risk as agency financial assets and financial liabilities are non-interest bearing. Therefore market sensitivity analysis is not required.

#### (ii) Price Risk

The department is not exposed to price risk as the department does not hold units in unit trusts.



### (iii) Currency Risk

The department is not exposed to currency risk as the department does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

### e. Net Fair Value

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost;
- the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument; and
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

For financial instruments measured and disclosed at fair value, the following table groups the instruments based on the level of inputs used.

	Total Carrying Amount	Net Fair Value Level 1	Net Fair Value Level 2	Net Fair Value Level 3	Net Fair Value Total
	\$000	\$000	\$000	\$000	\$000
<b>2016</b>					
<b>Financial Assets</b>					
Cash and deposits	132 356	132 356	-	-	132 356
Receivables	648	648	-	-	648
Advances	667	667	-	-	667
Prepayments	27	27	-	-	27
<b>Total Financial Assets</b>	<b>133 698</b>	<b>133 698</b>	-	-	<b>133 698</b>
<b>Financial Liabilities</b>					
Payables	398	398	-	-	398
Provisions for Employee Benefits	2 852	2 852	-	-	2 852
<b>Total Financial Liabilities</b>	<b>3 250</b>	<b>3 250</b>	-	-	<b>3 250</b>
<b>2015</b>					
<b>Financial Assets</b>					
Cash and deposits	32 869	32 869	-	-	32 869
Receivables	430	430	-	-	430
Advances	667	667	-	-	667
Prepayments	49	49	-	-	49
<b>Total Financial Assets</b>	<b>34 015</b>	<b>34 015</b>	-	-	<b>34 015</b>
<b>Financial Liabilities</b>					
Payables	752	752	-	-	752
Provisions for Employee Benefits	2 506	2 506	-	-	2 506
<b>Total Financial Liabilities</b>	<b>3 258</b>	<b>3 258</b>	-	-	<b>3 258</b>

## 16. COMMITMENTS

### (i) Capital Expenditure Commitments

Capital expenditure commitments contracted for at balance date but not recognised as liabilities are payable as follows:

	2016		2015	
	Internal <sup>(a)</sup> \$000	External <sup>(a)</sup> \$000	Internal \$000	External \$000
Within one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	-	-

### (ii) Operating Lease Commitments

The agency leases property (Motor vehicles) under non-cancellable operating leases expiring from one to five years. Leases generally provide the agency with a right of renewal at which time all lease terms are renegotiated. The agency also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:

Within one year	463	-	302	-
Later than one year and not later than five years	746	-	381	-
	<b>1 209</b>	-	<b>683</b>	-

### (iii) Other Expenditure Commitments

Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:

Within one year	77 475	-	34 372	-
Later than one year and not later than five years	30 002	-	939	-
Later than five years	-	-	-	-
	<b>107 477</b>	-	<b>35 311</b>	-

<sup>(a)</sup> Internal commitments are to entities controlled by the NTG (entities listed in TAFR 2014-15 Note 41: Details of Controlled Entities at Reporting Date), whereas external commitments are to third parties external to the NTG.

## 17. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Department of Local Government and Community Services had no contingent liabilities or contingent assets as at 30 June 2016 or 30 June 2015.

## 18. EVENTS SUBSEQUENT TO BALANCE DATE

On 1 July 2016 a new division was established within the Department of Local Government and Community Services. The division included the Domestic Violence Directorate, Safe Houses and Women's Shelters. This division was transferred from Department of Attorney- General and Department of Children and Families.

Additionally 10 remote training centres were transferred to the department on 1 July 2016 from the Department of Business.

The result of the transfers will be an approximate increase in assets of \$6.36 million and expected increase in employee expenses of \$5.7 million, Operational \$1.6 million and \$15 million in Grant capacity.

## 19. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the Financial Management Act, an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of Trust Money	Opening Balance	Receipts	Payments	Closing Balance
	30 June 2015			30 June 2016
	\$000	\$000	\$000	\$000
Jabiru Town Development Authority	1 703	34	-	1 737
	<b>1 703</b>	<b>34</b>	<b>-</b>	<b>1 737</b>

## 20. WRITE-OFFS, POSTPONEMENTS, WAIVERS, GIFTS AND EX GRATIA PAYMENTS

	Agency		Agency		Territory Items		Territory Items	
	2016	No. of Trans.	2015	No. of Trans.	2016	No. of Trans.	2015	No. of Trans.
	\$000		\$000		\$000		\$000	
Write-offs, Postponements and Waivers Under the Financial Management Act	-	-	121	2	-	-	-	-
Represented by:								
Leased property written off	-	-	121	2	-	-	-	-
Total Written off, Postponed and Waived by Delegates	-	-	121	2	-	-	-	-

## 21. BUDGETARY INFORMATION

Comprehensive Operating Statement	2015-16 Actual	2015-16 Original Budget	Variance	Note
	\$000	\$000	\$000	
<b>INCOME</b>				
<b>Grants and subsidies revenue</b>				
Current	30 240	45 893	(15 653)	(1)
Capital	22 100	-	22 100	(1)
Appropriation				
Output	160 885	155 544	5 341	(2)
Commonwealth	158 525	24 976	133 549	(3)
Sales of goods and services	3 413	2 871	542	
Goods and services received free of charge	3 399	2 692	707	
Other income	88	-	88	
<b>TOTAL INCOME</b>	<b>378 650</b>	<b>231 976</b>	<b>146 674</b>	
<b>EXPENSES</b>				
Employee expenses	25 415	23 063	2 352	(4)
Administrative expenses				
Purchases of goods and services	8 130	9 065	( 935)	(5)
Repairs and maintenance	48	29	19	
Depreciation and amortisation	11	-	11	
Other administrative expenses	3 452	2 692	760	
Grants and subsidies expenses				
Current	193 797	176 266	17 531	(6)
Capital	50 625	22 627	27 998	(7)
<b>TOTAL EXPENSES</b>	<b>281 478</b>	<b>233 742</b>	<b>47 736</b>	
<b>NET SURPLUS/(DEFICIT)</b>	<b>97 172</b>	<b>(1 766)</b>	<b>98 938</b>	
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified to net surplus/deficit</b>				
Changes in asset revaluation surplus	71	-	71	
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>71</b>	<b>-</b>	<b>71</b>	
<b>COMPREHENSIVE RESULT</b>	<b>97 243</b>	<b>(1 766)</b>	<b>99 009</b>	

### Notes

The following note descriptions relate to variance greater than 10 per cent or \$1 million or where multiple significant variances have occurred.

- (1) Current and Capital grants increased by \$6.5 million from May 2015 Budget reflecting:
  - Increased Commonwealth funding of \$22.1 million for new remote initiatives; offset by
  - A reduction of \$15.6 million in Commonwealth funding for the first two instalments of the Northern Territory 2015-16 Local Government Financial Assistance Grant allocation received in June 2015.
- (2) Output appropriation has increased by \$5.3 million as a result of new initiatives including bakeries in remote communities and streetlight repair and maintenance subsidy to assist Local Government Councils.
- (3) Commonwealth appropriation increased by \$133.5 million primarily due to the receipt of upfront lump sum payment from the Australian Government relating to the Municipal and Essential Services Implementation Plan.
- (4) Employee expenses have increased by \$2.4 million largely in line with revised timing of expenditure commitments relating to Commonwealth funded programs.
- (5) Purchase of goods and services expenses have decreased by \$0.9 million as a result of revised timing of expenditure commitments relating to Commonwealth funded programs.
- (6) Current grants have increased by \$17.5 million from original Budget due to payments made for Natural Disaster Relief, combined with the revised timing of expenditure commitments across years.
- (7) Capital grants have increased by \$28 million from originally anticipated primarily as a result of new initiatives including Indigenous Essential Services capital projects and remote infrastructure projects.

Balance Sheet	2015-16 Actual	2015-16 Original Budget	Variance	Note
	\$000	\$000	\$000	
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and deposits	132 356	6 903	125 453	(1)
Receivables	5 015	1 463	3 552	(2)
Advances	667	667	-	
Prepayments	27	58	(31)	
<b>Total current assets</b>	<b>138 065</b>	<b>9 091</b>	<b>128 974</b>	
<b>Non-current assets</b>				
Property, plant and equipment	3 783	3 750	33	
Total non-current assets	3 783	3 750	33	
<b>TOTAL ASSETS</b>	<b>141 848</b>	<b>12 841</b>	<b>129 007</b>	
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Deposits held in Trust	1 737	1 663	74	
Payables	398	550	(152)	
Provisions				
Provision for employee benefits	1 892	1 512	380	
Provision for FBT, Payroll Tax & Super	331	264	67	
<b>Total current liabilities</b>	<b>4 358</b>	<b>3 989</b>	<b>369</b>	
<b>Non-current liabilities</b>				
Recreation Leave provision	629	504	125	
Total non-current liabilities	629	504	125	
<b>TOTAL LIABILITIES</b>	<b>4 987</b>	<b>4 493</b>	<b>494</b>	
<b>NET ASSETS</b>	<b>136 861</b>	<b>8 348</b>	<b>128 513</b>	
<b>EQUITY</b>				
Capital	39 547	35 304	4 243	
Asset revaluation surplus	1 876	1 805	71	
Accumulated funds	95 438	(28 761)	124 199	
<b>TOTAL EQUITY</b>	<b>136 861</b>	<b>8 348</b>	<b>128 513</b>	

The following note descriptions relate to variance greater than 10 per cent or \$1 million, or where multiple significant variances have occurred.

- (1) The increased in cash and deposits held largely reflects the receipt of a lump sum upfront payment from the Australian Government relating to the Municipal and Essential Services Implementation Plan.
- (2) Receivables have increased since the Original Budget by \$3.6 million largely due to GST receivable.

Cash Flow Statement	2015-16 Actual	2015-16 Original Budget	Variance	Note
	\$000	\$000	\$000	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating receipts</b>				
Grants and subsidies received				
Current	30 240	45 893	(15 653)	(1)
Capital	22 100	-	22 100	(1)
Appropriation				
Output	160 885	155 544	5 341	(2)
Commonwealth	158 525	24 976	133 549	(3)
Receipts from sales of goods and services	18 140	2 871	15 269	(4)
<b>Total operating receipts</b>	<b>389 890</b>	<b>229 284</b>	<b>160 606</b>	
<b>Operating payments</b>				
Payments to employees	(25 509)	(23 063)	2 446	(5)
Payments for goods and services	(24 806)	(9 094)	15 712	(6)
Grants and subsidies paid				
Current	(193 797)	(176 266)	17 531	(7)
Capital	(50 625)	(22 627)	27 998	(8)
<b>Total operating payments</b>	<b>(294 737)</b>	<b>(231 050)</b>	<b>63 687</b>	
<b>Net cash from/(used in) operating activities</b>	<b>95 153</b>	<b>(1 766)</b>	<b>96 919</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing receipts</b>				
Deposits received	34	-	34	
Equity injections				
Other equity injections	4 300	-	4 300	(9)
<b>Total financing receipts</b>	<b>4 334</b>	<b>-</b>	<b>4 334</b>	
<b>Financing payments</b>				
Equity withdrawals	-	-	-	
<b>Total financing payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Net cash from/(used in) financing activities</b>	<b>4 334</b>	<b>-</b>	<b>4 334</b>	
Net increase/(decrease) in cash held	99 487	(1 766)	101 253	
Cash at beginning of financial year	32 869	8 669	24 200	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>132 356</b>	<b>6 903</b>	<b>125 453</b>	

The following note descriptions relate to variance greater than 10 per cent or \$1 million, or where multiple significant variances have occurred.

- (1) Current and Capital grants increased by \$6.5 million from May 2015 Budget reflects:
  - Increased Commonwealth funding of \$22.1 million for new remote initiatives; offset by
  - A reduction of \$15.6 million in Commonwealth funding for the first two instalments of the Northern Territory 2015-16 local government Financial Assistance Grant allocation received in June 2015.
- (2) Output appropriation increased by \$5.3 million as a result of new initiatives including bakeries in remote communities and streetlight repair and maintenance subsidy to assist local government councils.
- (3) Commonwealth appropriation increased by \$133.5 million primarily due to the receipt of upfront lump sum payment from the Australian Government relating to the Municipal and Essential Services Implementation Plan.
- (4) Receipts from sales of good and services increased by \$15.3 million largely due to GST revenue received in 2015-16.
- (5) Employee expenses have increased by \$2.4 million largely in line with revised timing of expenditure commitments relating to Commonwealth funded programs.
- (6) The net increase in payment for goods and services expenses of \$15.7 million predominantly relates to GST payments and the revised timing of expenditure commitments.
- (7) Current grants have increased by \$17.5 million from original Budget due to payments made for Natural Disaster Relief, combined with the revised timing of expenditure commitments across years.
- (8) Capital grants have increased by \$28 million from originally anticipated primarily as a result of new initiatives including Indigenous Essential Services capital projects and remote infrastructure projects.
- (9) Other equity injections have increased due to the transfer of funds from another agency for the delivery of a Commonwealth funded program.



# 06 Appendix 1

Discloses  
detailed  
information  
adjunct to the  
main report.

## COMMITTEE AND RESERVE MEMBERSHIPS

### BLATHERSKITE PARK

<b>Chairperson</b>	Kate Louise Freestone
<b>Members</b>	Harry Newton Cook Wulf Heimrich Kurt Pfau Rebecca Anne O'Shea

### ROBBIE ROBBINS RESERVE

<b>Chairperson</b>	John McClaren
<b>Members</b>	Marguerite Gayoso (Secretary) Joan Hassall (Treasurer) Bruce Bremner William Josephs

### NORTHERN TERRITORY GRANTS COMMISSION

Member	Term Expiry Date	Role
Bob Beadman	31 October 2016	Chair
Damien John Ryan	31 August 2017	Representing the interests of municipal councils
Steve Hennessy	31 August 2016	Representing the interests of regional councils
David Richard Willing	No set expiry date	Nominee of the Chief Executive of the department
Kylie Bonanni	31 August 2017	Alternate member for Damien John Ryan
Ralph Francis Blyth	31 August 2016	Alternate member for Steve Hennessy

### LOCAL GOVERNMENT ADMINISTRATION AND LEGISLATION ADVISORY COMMITTEE

Role	Member	Nominating Organisation
<b>Chair</b>	Tony Francis Tapsell	Local Government Association of the Northern Territory
<b>Members</b>	Stuart Ian Duncan David Richard Willing Lee Williams Cathryn Hutton Mark Blackburn Ben Dornier Diane Christine Leeder	Local Government Association of the Northern Territory Department of Local Government and Community Services Department of Local Government and Community Services Local Government Managers Australia Local Government Managers Australia Council officers co-opted to the Committee Council officers co-opted to the Committee

## LOCAL GOVERNMENT ACCOUNTING ADVISORY COMMITTEE

Role	Member	Nominating Organisation
<b>Chair</b>	Christine Julia Kendrick	Local Government Managers Australia
<b>Deputy Chair</b>	Miles Stuart Craighead	NT Finance Reference Group
<b>Members</b>	Matthew Kennon	Institute of Chartered Accountants
	Lawrence Autencio	CPA Australia
	Meeta Ramkumar	Department of Local Government and Community Services
	Jocelyn Nathanael Walters	Department of Local Government and Community Services
	Diana Christine Leeder	Local Government Managers Australia
	Gregory Michael Arnott	NT Finance Reference Group
	Tony Francis Tapsell	Local Government Association of the Northern Territory
	Muhammad Waqas	Local Government Association of the Northern Territory

## LOCAL GOVERNMENT DISCIPLINARY COMMITTEES

<b>Legal Practitioners nominated by the previous Attorney General</b>	Ruth Ellen Brebner David Richard Baldry
<b>Members nominated by the previous Minister for Local Government and Community Government</b>	Cindy Lee McDonald
<b>Members nominated by the Local Government Association of the Northern Territory</b>	Chansey James Paech Geoffrey Alan Carter

## LOCAL GOVERNMENT GRANTS FOR 2015-16

### NORTHERN TERRITORY OPERATIONAL SUBSIDY

Council	Approved Allocations
	\$
Tiwi Islands Regional Council	1 263 612
Belyuen Community Government Council	69 542
Coomalie Community Government Council	475 385
Wagait Shire Council	142 395
West Arnhem Regional Council	3 104 383
East Arnhem Regional Council	5 499 837
Victoria Daly Regional Council	1 383 000
West Daly Regional Council	1 409 334
Roper Gulf Regional Council	3 489 380
Barkly Regional Council	3 585 718
Central Desert Regional Council	2 105 420
MacDonnell Regional Council	3 378 994
<b>Total</b>	<b>\$25 907 000</b>

## RESERVES AND OTHER ORGANISATIONS

Organisation		Approved Allocations
		\$
Katherine Town Council	Operational funding for the community of Binjari	182 936
Blatherskite Park Reserve	Operational funding	145 000
Daly Waters Progress Association	Operational funding	8 963
Jabiru Town Development Authority	Operational funding	90 000
Roper Gulf Regional Council	Operational funding for the community of Larrimah	8 922
Robbie Robins Reserve	Operational funding	75 000
Barkly Regional Council	Local Authority Project Funding	100 000
Nhulunbuy Public Cemetery Trust	Operational funding	10 000
Roper Gulf Regional Council	Operational funding for the Else Cemetery, Mataranka	2 000
Australia Day Council Inc. (of the (NT)	2016 Australia Day awards sponsorship	3 000
<b>Total</b>		<b>\$625 821</b>

## LOCAL AUTHORITY PROJECT FUNDING

Council	Approved Allocations
	\$
Barkly Regional Council	373 791
Central Desert Regional Council	497 018
East Arnhem Regional Council	1 129 063
MacDonnell Regional Council	585 717
Roper Gulf Regional Council	737 217
Tiwi Islands Regional Council	343 544
Victoria Daly Regional Council	301 552
West Arnhem Regional Council	615 812
West Daly Regional Council	416 286
<b>Total</b>	<b>\$5 000 000</b>

## INDIGENOUS JOBS DEVELOPMENT FUNDING

Council	Approved Allocations
	\$
Barkly Regional Council	900 000
Belyuen Community Government Council	36 000
Central Desert Regional Council	631 000
East Arnhem Regional Council	1 141 000
MacDonnell Regional Council	1 241 000
Roper Gulf Regional Council	1 530 000
Tiwi Islands Regional Council	531 000
Victoria Daly Regional Council	592 000
West Arnhem Regional Council	706 000
West Daly Regional Council	592 000
<b>Total</b>	<b>\$7 900 000</b>

## REGIONAL COUNCIL BUDGET ASSISTANCE

Council	Approved Allocations
	\$
Victoria Daly Regional Council	2 363 909
West Daly Regional Council	690 090
<b>Total</b>	<b>\$3 053 999</b>

## LOCAL GOVERNMENT COUNCIL GOVERNANCE SUPPORT

Council	Approved Allocation
	\$
Litchfield Council	50 000
<b>Total</b>	<b>\$50 000</b>

## SERVICE FUNDING AGREEMENT – Local Government Excellence in the NT – to 31 March 2016

Association	Approved Allocation
	\$
Local Government Association of the NT	909 091
<b>Total</b>	<b>\$909 091</b>

## NATURAL DISASTER RELIEF AND RECOVERY ARRANGEMENTS

Council	Purpose	Approved Allocations (\$)
East Arnhem Regional Council	NDRRA - Cyclone Nathan March 2015*	1 408 103
Roper Gulf Regional Council	NDRRA – Cyclone Lam February 2015*	139 893
East Arnhem Regional Council	NDRRA – Cyclone Lam February 2015*	3 289 413
<b>Total</b>		<b>\$4 837 409</b>

\*Refers to date of event. Grants were paid during 2015-16 financial year.

## SPECIAL PURPOSE GRANT FUNDING – Application Based Grants Rounds 1 & 2

Council	Purpose	Grant \$
Alice Springs Town Council	To re-turf and irrigate the main Baseball/softball diamond at Jim McConville Park.	85 549
Alice Springs Town Council	Towards the construction of a shade structure at the library car park that includes solar panels.	200 000
Barkly Regional Council	To purchase a replacement rubbish truck for the Alpurrurulam community.	144 743
Barkly Regional Council	To design supply and install a fixed fire detection system in the council's administration building, library, council chambers and office and civic hall to comply with Australian Standards and regulations.	160 325
Barkly Regional Council	To support the Barkly Vet Service to make quarterly visits to Ali Curung, Arlparra, Ampilawatja, Wuntunugurra, Alpurrurulam, Elliott and Tennant Creek communities of council to monitor and control dogs and other feral animals.	256 000
Central Desert Regional Council	Towards the replacement of two skid steer loaders and trailers for two communities Nyirripi and Engalwala.	103 100
Central Desert Regional Council	To purchase a 13m <sup>3</sup> waste compactor truck for the Yuendumu community.	194 017
Central Desert Regional Council	To construct a dog enclosure at the Lajamanu Work depot for stray, seized or injured dogs.	25 000
City of Palmerston	Towards the purchase of furniture for the art workshop/classroom at the newly built Durack Heights Arts Centre.	20 000
Coomalie Community Government Council	To purchase a tractor and 2.1mtr. Slasher for road side slashing within the Coomalie Shire.	79 820
Coomalie Community Government Council	To purchase five open hook lift containers for use at the Batchelor and Adelaide River tips.	114 650
East Arnhem Regional Council	To supply and install reinforced caged solar lighting along the Yirrkala foreshore area.	40 300
Katherine Town Council	Towards the formalisation of the public open space at Lindsay Street and surrounds.	109 000



<b>Katherine Town Council</b>	Towards the revitalisation of the current community infrastructure and environmental elements at the Katherine Hot Springs.	150 000
<b>Litchfield Council</b>	To construct a caretaker dwelling, office and workshop at the Berry Springs recreation reserve.	189 455
<b>MacDonnell Regional Council</b>	To purchase a 5 cubic metre rubbish compactor truck for the community of Mt Liebig.	145 455
<b>MacDonnell Regional Council</b>	To assist with a two year tree planting and re-vegetation program throughout council's 13 communities.	100 000
<b>MacDonnell Regional Council</b>	To purchase a 20 tonne excavator.	271 170
<b>Roper Gulf Regional Council</b>	To purchase a new 12 cubic metre compactor rubbish truck for Ngukurr.	120 000
<b>Roper Gulf Regional Council</b>	Towards the purchase a backhoe for the community of Bulman.	100 000
<b>Tiwi Islands Regional Council</b>	To purchase a 10 cubic metre tipper truck.	166 600
<b>Victoria Daly Regional Council</b>	Towards the purchase a prime mover which will be based at the council's Pine Creek depot.	235 000
<b>Victoria Daly Regional Council</b>	To supply and install 2,400mtrs. of security fencing with three strands of barb wire on cranked posts including gates to the perimeter 2,300 (mtrs) and internal (100mtrs) of the proposed new Timber Creek landfill site.	191 000
<b>Victoria Daly Regional Council</b>	To supply and install protective roof structures over four two bedroom demountable in the communities of Timber Creek, Yarralin and Kalkarindji.	220 000
<b>Wagait Shire Council</b>	To purchase 300 x 240 litre wheelie bins to commence a waste collection service and to engage a consultant to consider waste management options for the Cox Peninsula area.	31 000
<b>West Arnhem Regional Council</b>	Towards the purchase of a new grader which is to be based in Maningrida and also available for work projects in other communities.	167 250
<b>West Arnhem Regional Council</b>	Towards the purchase of a rubbish compactor for the community of Maningrida.	132 210
<b>West Daly Regional Council</b>	Towards the purchase a 8 cubic mtr. kerbside minipactor for the Wadeye community.	190 896
<b>Total</b>		<b>\$3 942 540</b>

## FAMILY SAFE ENVIRONMENT FUND- Application Based Grant

Council	Purpose	Grant
		\$
<b>Alice Springs Town Council</b>	To purchase a commercial trailer to be used as an anti-graffiti gerni.	15 158
<b>Belyuen Community Government Council</b>	To supply and install six solar lights at the open space basketball court in the community.	50 909

<b>East Arnhem Regional Council</b>	Towards the purchase and installation of 5 solar light with poles and protective caging for the area located adjacent the Umbakumba foreshore.	50 440
<b>Katherine Town Council</b>	Towards the purchase and installation of LED solar powered street lighting to the area adjacent the cricket oval 4.	26 350
<b>MacDonnell Regional Council</b>	To install solar park lighting in 13 communities.	48 100
<b>Victoria Daly Regional Council</b>	To purchase 8 solar lights to be installed Heritage Park Pine Creek.	30 000
<b>West Arnhem Regional Council</b>	To purchase 20 LED solar lights with poles for installation in parks, playgrounds, barbeque area and open spaces in the communities of Maningrida, Gunbalanya, Warruwi, Minjilang and Jabiru.	44 800
<b>Total</b>		<b>\$265 757</b>

### COMMONWEAL FINANCIAL ASSISTANCE (General Purpose and Local Roads Funding)

<b>Council</b>	<b>General Purpose 2015-16</b>	<b>Roads 2015-16</b>
	<b>\$</b>	<b>\$</b>
<b>City of Darwin</b>	1 743 649	1 778 024
<b>Tiwi Islands Regional Council</b>	413 470	942 281
<b>City of Palmerston</b>	714 856	795 729
<b>Litchfield Council</b>	464 608	2 491 993
<b>Belyuen Community Government Council</b>	23 796	32 150
<b>Coomalie Community Government Council</b>	27 485	403 430
<b>Wagait Shire Council</b>	9 063	53 817
<b>West Arnhem Regional Council</b>	1 250 867	1 157 172
<b>East Arnhem Regional Council</b>	3 318 643	1 134 381
<b>Victoria Daly Regional Council</b>	451 836	688 244
<b>West Daly Regional Council</b>	505 376	809 316
<b>Katherine Town Council</b>	375 163	611 392
<b>Roper Gulf Regional Council</b>	1 929 315	1 041 689
<b>Barkly Regional Council</b>	1 778 549	423 860
<b>Alice Springs Town Council</b>	738 907	924 558
<b>Central Desert Regional Council</b>	992 516	831 417
<b>MacDonnell Regional Council</b>	1 807 007	961 823
<b>Local Government Association of the NT</b>	N/A	1 395 297
<b>Total</b>	<b>\$16 545 106</b>	<b>\$16 476 573</b>

## Municipal and Essential Services Capital Projects

Organisation	Location	Approved project/description	Amount Approved (GST Excl)
			\$
<b>Arramwelke Aboriginal Corporation</b>	Orrtipa-Thurra	Upgrade absorption Trenches	30 000
		Power upgrade	48 175
		Power upgrade	20 000
		Water upgrade	144 108
<b>Barkly Regional Council</b>	Atnwengerrpe	Ablution block and laundry	200 000
	Marlinja	Water upgrade	91 580
	Utopia Homelands	Water upgrade	11 940
<b>Battery Hill</b>	Battery Hill	Water upgrade	28 000
<b>Bawinanga Aboriginal Corporation</b>	All homelands	Purchase generator	7 500
		Purchase mini excavator	69 092
	Gamardi	Compound fencing, shade, toilet and shower, food preparation area for workers. NTG contribution is to complete works already underway	45 000
	Gochin Jiny Jirra	Purchase & delivery, setup and training of generator for occupants on outstation	23 500
	Ji-Malawa	Replace water line from bore 1300 meters	7 000
	Rocky Point	Rocky Point Replace deck on water tank and replace pipework and fittings	7 000
	Yikarrakal	Replace water line from bore 1500 meters	7 000
	Yilan	Drill and equip new bore	65 000
<b>Central Desert Regional Council</b>	Irrerlirre, Foxalls Well, Spotted Tiger, Angula, Adelaide Bore, Ten Mile, Lultju, Pulardi	Install plug-in points for back-up generators on bores	39 050
		Irrerlirre, Mulga Bore	Power upgrade
		Replace battery array	90 200
	Irrilirre	Water upgrade	40 600
		Water upgrade	66 730

<b>Demed Association Inc</b>	Anaslee Point	Solar upgrade	36 548
	Araru	Solar upgrade	119 966
	Malgawa	Tree Removal	16 980
	Mamadawerre	Remove trees	10 920
	Sandy Bay	Solar upgrade	25 760
	Wiligi	Solar upgrade	22 634
		Solar upgrade	41 176
<b>Dinybulu Regional Services Pty Ltd</b>	Gulawjapin	Recase bores	23 637
	Wulkabimirri	Power upgrade	27 500
		Septic upgrade	60 000
		Water upgrade	32 000
		Water upgrade	126 384
<b>Ilpurla Aboriginal Corporation</b>	Ilpurla	Power upgrade	27 500
<b>Ingkerreke Outstation Resource Service Aboriginal Corporation</b>	Black Tank Bore	Water upgrade	18 182
	Corkwood Bore	New fencing	10 909
	Gillen Bore	Build shed to protect batteries in accordance with WHS standards	60 000
	Gillen Bore	Power upgrade	30 200
	Harry Creek	Power upgrade	72 727
		Upgrade Water line	60 000
	Harry Creek South	Solar upgrade	13 637
	Iteyepintye	Generator	6 364
	Itperlyenge	Water upgrade	16 364
	Mt Undoolya	Ablution block and septics	50 000
		Generator	10 000
		Solar upgrade	18 182
	Sandy Bore	Solar upgrade	18 182
	Snakewell	Generator system	13 637
	Various homelands	Purchase new slasher plate	4 619
		Upgrage access roads	45 455
Williams Well	Power upgrade	25 000	
<b>Kalano Community Association Inc</b>	Rockhole	Garden equipment	9 280

<b>Laynhapuy Homelands Aboriginal Corporation</b>	Baniyala	Water upgrade	42 000	
	Dhalinbuy, Raymangirr	Supply and instal septic and drainage to 2 units at Dhalinbuy and 1 unit at Ramangirr	48 354	
	Gan Gan	Install plug-in points for back-up generators on bores	74 060	
<b>Mabunji Aboriginal Resource Centre Aboriginal Corporation</b>	274 - West Island, Kangaroo Islkand	Water upgrade	10 505	
	Kiana	Water upgrade	39 305	
	Garrinjini (Little River)	Water upgrade	14 140	
	Moolwoowa (Cape Vandelin)	Water upgrade	26 390	
	South West Island-Wathunga	Construct and Install New Pit Toilet	13 315	
<b>MacDonnell Regional Council</b>	Town Bore Warren Creek Beer St Bore Charlotte Waters Atji Creek Mbunghara John Holland Bore	Servicing generators	29 797	
	Amundurngua	Water upgrade	18 446	
	Mbunghara	Water upgrade	48 500	
	Walkabout Bore	Solar upgrade	74 215	
	Walkabout Bore Mount Peachy Town Bore	Stock fencing	25 710	
	Warren Creek	Water upgrade	47 165	
	<b>Margarr Resource Centre</b>	Birany Birany	Supply Power to Birany Birany	12 705
		Birany Birany, Dhaniya	Supply and install septic and drainage to 1 unit at Birany Birany and 1 unit at Dhaniya	63 142

<b>Marthakal Homelands &amp; Resource Centre Aboriginal Corporation</b>	509 - Gikal	Water upgrade	65 042
	AllGawa	Barge landing upgrade	77 523
	Nanyingburra		
	Banthula		
	Djurranalpi		
	Dharawa		
	Ganpura		
	Gulmarri		
	Banthula	Upgrade bore	35 780
	Djurranalpi		
Dharawa			
Mapurru	Re-sheet airstrip	272 727	
Mata Mata	Upgrade bore	25 450	
Nyinyikay	Septic upgrade	23 518	
Nyinyikay, Rorruwuy, Gikal	New tip	28 200	
<b>Millingimbi homelands Progress Resource Association Inc</b>	Bodia, Langarra, Morrunga	Water to new ablution blocks, realm drains	104 671
	Bodiya, Dhippiri, Gumuruguru, Langarra, Moorunga	Major overhaul of Terex Backhoe 820.	40 846
<b>Ngaliwurru-Wuli Association Incorporated</b>	Bulla	Repairs & upgrade to 550 meters of the Bulla Airstrip access road	17 600
	All	Purchase new Heavy Duty plant trailer	5 950
		Slasher	30 151
		Software upgrade	9 700
	Fitzroy Station	Security fence	10 079
	Gulardi	Construct a new communal ablution block	42 792
		Supply and install 1200 high with barbed wire cattle /animal proof fence around the evaporation bed	14 088
	Menngen	Fencing for solar energy farm	22 696
		Solar upgrade	336 525
	Muruning	Fencing	19 092
<b>Ngurratjuta Pmara Ntjarra Aboriginal Corporation</b>	Lilla, Wanmarra, Ulpanyali, Ukaka	Installation of a fence around rubbish tips	39 000
	Wanmarra	Drilling and installation of new bore	31 364

<b>Numbulwar Homelands Council Association</b>	All Communities	Access roads upgrade	78 000
		Improving access	23 455
		Servicing and repairs to back hoe	25 000
		To purchase a vehicle mounted hydraulic hoist	11 500
		Andanagki	To erect tank ,stand and associated pipe works
	Harris Creek	Improve OH&S	13 325
	Marrkalawa	Supply and erect a over flow tank at Marrkalawa	25 400
<b>Pine Creek Aboriginal Advancement Association Inc</b>	Kybrook Farm	Purchase of heavy duty trailer	10 190
		Vehicle to provide services	52 187
<b>Power Projects</b>	Bujana, Mimina, Wallaces Lagoon, Wonmurri, Wulaburri, Wundigalkla, Yangulinyina	The current refuse tips need to be filled in and buried and new refuse pits dug to cater for the growing resident numbers at each homeland.	59 503
	Minima	Supply and installation of new feed line to overhead tank	43 993
	Wallace's Lagoon	Installation of a 10,000 Litre Water Tank + Stand, solar pump, 300m Water Pipeline and appropriate plumbing equipment,	34 395
		Installation of a 10,000 Litre Water Tank + Stand, solar pump, 300m Water Pipeline and appropriate plumbing equipment,	53 504
<b>Roper Gulf Regional Council</b>	All Communities	Purchase of a grader and a trencher attachment to carry out full use of the bobcat	27 800
		Solar lights	56 330
	Boomerang Bore	Solar System	45 000
	Costello	Upgrade power supply	25 941
		Water upgrade	12 285
	Kewulyi	Upgrade ablution block and renew transpiration Bed	45 000
		Water upgrade	18 758
Nummerloori	Upgrade power supply	28 297	
<b>Savanna Alliance (Australia) Corporation Limited</b>	Djarrung	Water upgrade	69 322



<b>T &amp; J ( Far North Contractors Pty Ltd)</b>	Burudu	Water tanks and stands	115 016
	Connells Lagoon	Fire fighting trailer and tank	27 964
	Mungkarta	Roofing, water and electrical works	81 400
	Ngurrara	Replace tank stand and tank	46 010
<b>Thangkenhareng Resource Centre</b>	Jemelke	Remove/refit of batteries, and basic system check-up of renewable energy system.	145 400
<b>Tiwi Islands Regional Council</b>	Paru	Replace water tank and stand	43 636
		Install a Pontoon to enable safer acces to bore at Paru	31 393
<b>Tjuwanpa Outstation Resource Centre</b>	Camel Hump	Replace Solar	88 000
	Five Mile	Replace Solar	88 000
	Kwala	Replace battery array	40 000
	Undurana2A	New 10KVA generator and installation	22 500
<b>Victoria Daly Regional Council</b>	Lingara	Purchase and install new battery bank	157 130
<b>Warnbi Aboriginal Corporation</b>	Buffalo Farm	Replace water tank and stand	39 090
<b>West Daly Regional Council</b>	Merrepen	Supply and Install and switch board	21 230
	Merrepen, Namarluk	Supply and install a solar pumping system.	15 591
		Supply and Install Solar Power Station	299 900
		Water upgrade	23 206
	Merrepen, Namarluk, Old Mission, Kuy & Fossil Head	Water upgrade	68 280
	Mulingi	14kVA Pramac generator	18 000
		Supply and installation of 24 250W Suntech Solar Panels	21 203
		Supply and installation of Grundfos Pump and accessories to complete Mulingi Bore Project.	12 301
	Namarluk	New 10kVA Pramac generator	21 230
	Uminyuluk	Supply and installation of 18 x 250W Suntech Solar Panels	23 575

<b>Yantjarrwu Outstation Resource Centre</b>	Wudaduk	Replace 15 old solar panels to increase solar capacity back to 100%	12 231
	Madlindji (Sabina)	Supply and install 1 x Pramac GSW15Y Generator	22 122
	All	Purchase and installation of a crane mounted between the cab and the tipper tray of a truck, which enables the loading and unloading of up to 1 ton over a distance of 5 metres	40 000
	Emu Point	Water upgrade	180 000
	Wudaduk, Emu Point, Wudicupildiyerr, Madlindji	Install concrete pipes at the following small creek crossings	25 000
<b>Yapa-Kurlangu Ngurrara Aboriginal Corporation (YKNAC)</b>	Dons Bore	Water upgrade	41 874
	Mt Denison	Water upgrade	9 741
		Water upgrade	50 000
<b>Yilli Rreung Housing Aboriginal Corporation</b>	Bulgul	This project will upgrade the Solar Power Supply to this house	11 685
	Woolaning	Solar upgrade	79 400
<b>Total</b>			<b>6 796 454</b>