



Annual Report

2012-13



Chief Executive
Level 2, RCG House
83–85 Smith Street, Darwin

Postal address GPO Box 4621
Darwin NT 0801
Tel 08 8999 8472

The Hon David Tollner MLA
Minister for Local Government and Regions
Parliament House
DARWIN NT 0800

Dear Minister

In accordance with the provisions of the *Public Sector Employment and Management Act*, I am pleased to submit the annual report on the 2012–13 activities and achievements of the former Department of Local Government.

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 the employees under my control observe the provisions of the *Financial Management Act*, the Financial Management Regulations and the Treasurer's Directions.
- (b) Procedures within the department afford proper internal control, and these procedures are recorded in the Accounting 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) The internal audit capacity available to the department is adequate, and the results of internal audits have been reported to me.
- (e) The financial statement included in the annual report has been prepared from proper accounts and records and is in accordance with the Treasurer's Directions.
- (f) All Employment Instructions issued by the Commissioner for Public Employment have been satisfied.
- (g) The department is working in compliance with the *Information Act*.

Yours sincerely

ALLAN MCGILL
Chief Executive
Department of Local Government and Regions
7 October 2013

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ABOUT THIS REPORT

This annual report provides a record of the Department of Local Government achievements for the 2012–13 financial year. In line with section 28 of the *Public Sector Employment and Management Act*, this report aims to inform the Northern Territory Parliament, Territorians and other stakeholders of:

- the primary functions and responsibilities of the department
- significant activities undertaken during the year
- the department's financial management and performance.

This report provides a summary of the department's progress in achieving its planned outcomes, as outlined in 2012–13 Mini-Budget Paper No.3, Corporate Plan 2013-2015 and provides an insight into future direction.

CHIEF EXECUTIVE'S MESSAGE

The new Department of Local Government was formed in September 2012. The restructure gave us the opportunity to refocus our resources to strengthen local government and improve animal welfare in the Northern Territory.

I would like to take this opportunity to acknowledge the contribution of former Chief Executive, John Baskerville, and Acting Deputy Chief Executive, John de Koning, who led the department through the transition to new agency arrangements and established foundations for continued growth and improvement.

We have an increased regional focus with a new stand-alone regional office in Central Australia and an Arafura regional office under a shared service arrangement with the Department of Housing. In 2012–13 increased regional support and resources and commenced recruiting to 12 new regional positions across the Territory that will work directly with local government councils and community representatives.

A key priority for the department in 2012–13 was supporting the Northern Territory Government's local government reform to make sure people living in regional and remote communities can inform priorities for local government services and regional development. In November 2012, the Regional Governance Working Group was established by the former Minister for Local Government to provide advice and develop options for improving regional governance.

In March 2013, the department commenced Territory wide consultation on regional governance with more than 3000 community participants.

Based on recommendations made throughout the consultation process, the local government reforms will be staged, with the first step being the introduction of local authorities in August 2013. This aims to give people living in regional and remote communities a strong voice in community decisions and planning.

In addition, as part of its ongoing support to the local government sector in 2012–13, the department administered \$69 million in grant funding to strengthen local governments. This included the new Family Safe Environment Fund to improve safety of council-managed playgrounds and parks.

In 2012–13 the department continued to provide advice and assistance to local governments to improve council planning and financial management practices. A number of new planning resources and tools were developed in consultation with the sector.

In February 2013 amendments to the *Animal Welfare Act* came into force to strengthen the Act and improve animal welfare in the Territory.

The Animal Welfare Branch has been focussed on strengthening stakeholder relationships and increasing community engagement to inform stakeholders and the wider community of their responsibilities under the Act.

This year the Animal Welfare Branch investigated a total of 463 complaints; the busiest year since 2009–10. Despite the increased number of complaints, the Animal Welfare Branch continues to exceed targets, responding to 98 per cent of complaints within three days.

In September 2013, the Chief Minister announced new agency arrangements, which will see the Animal Welfare Branch move to the Department of Primary Industry and Fisheries.

As we move into our second year of operation, the department's primary focus will be on strengthening regions through stronger local governments. The department will work with councils and stakeholders to implement improvements to regional governance, review council boundaries and establish local authorities.

Essential to achieving the department's future priorities is the continued collaboration and engagement with the Territory's local government sector and communities. I would like to acknowledge the support and contribution of the stakeholders who have worked with us.

I would also like to extend my thanks to all department employees for their continued commitment and teamwork in establishing the department. They effectively managed routine operations, embraced the opportunity to engage with our stakeholders and the wider community throughout the consultation process and supported improvements through the Territory's local government reform.

Allan McGill

Chief Executive
Department of Local Government and Regions

SIGNIFICANT EVENTS

September



The Department of Local Government was established.

October



The department's Executive Management Leadership Team was established to provide strategic direction and leadership.

November



The Regional Governance Working Group was convened to inform the department and Minister for Local Government on improvements to local government in regional and remote areas.

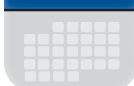
December



The annual Animal Welfare campaign was launched, raising public awareness about the responsibilities of pet owners and looking after pets over the holidays.

As part of the Mini Budget, the Minister for Local Government announced additional funding of \$6.2 million over four years to support improvements to local government in regional and remote areas.

January



The Family Safe Environment Fund commenced, which provides annual grants totalling \$250 000 to improve safety of community parks and that of nearby residents.

February



Amendments to strengthen the *Animal Welfare Act* came into force.

March



The department commenced Territory-wide consultation to inform the review of local governance in regional and remote areas.

May



The Animal Welfare Branch received 400 complaints, making 2012–13 the busiest year for the branch since 2009–10.

June



A public consultation program on options for regional governance was completed, during which the department consulted more than 3000 people.

PERFORMANCE SNAPSHOT

KEY: ● On track ● Monitor closely

Strategy	Action	Status
STRENGTHENING LOCAL GOVERNMENT CAPACITY	Develop the capacity of local governments to provide legitimate representation, effective governance, improved service delivery and sustainable development.	●
	Assist the local government sector to ensure its financial sustainability into the future.	●
	Strengthen governance and management capability through local government reform.	●
	Ensure local governments comply with legislative requirements via reviews, agreements, investigations, advice and support.	●
	Explore alternative service delivery options that maximise local employment opportunities.	●
	Ensure legislation is current and appropriate.	●
	Establish a Family Safe Environment Fund.	●
	Administer local government grants.	●

Achievements in 2012–13

- Developed new governance resources for the online council toolbox.
- Drafted a range of reference material relating to financial management practices for local government in response to the 2012 Deloitte report, 'Review of Councils' Financial Sustainability'.
- Produced a rural and remote local government planning manual in collaboration with the Australian Centre of Excellence for Local Government, which is currently being trialled.
- Held 16 local government forums to work towards strengthening council governance and service delivery.
- Examined financial reports tabled at council meetings and published on council websites to monitor the status of council sustainability in the Northern Territory.
- Worked with the Local Government Association of the Northern Territory and the Local Government Accounting Advisory Committee to improve local government asset management and financial management practices.
- The Minister for Local Government announced a further \$5 million in operational funding for regional and remote local governments in the Territory.
- The department consulted with more than 3000 residents across the Territory in March 2013 on improving regional governance in the Northern Territory.
- Released the consultation findings in June 2013, which will inform staged improvements to local government in the Territory.
- Continued to collaborate with local government councils, associations and other key stakeholders to support compliance, reviews and improvements.
- Conducted compliance reviews of six local government councils.
- Managed three complaints through the local government disciplinary committees.
- The percentage of Indigenous employment by shire councils in the Northern Territory continued to steadily increase to 69.3 per cent in 2012–13.
- Funded grants for local employment opportunities in advance, which supports improved council planning and greater job security for employees.
- Launched a trial of the rural and remote planning manual, which will improve workforce planning.
- Commenced updates to the *Local Government Act* to support improvements to local government in the Territory.
- Released a discussion paper on the review of the *Cemeteries Act* for consultation with the local government sector and other stakeholders.
- Established the Family Safe Environment Fund and allocated \$250 000 in grant funding to seven local governments across the Territory.
- Successfully managed \$68.7 million in local government grants.
- Allocated \$31 million in grant funding in line with recommendations made by the NT Grants Commission.
- Assisted 29 organisations (including local governments) with department grants.

KEY: ● On track ● Monitor closely

Strategy	Action	Status
IMPROVE WELFARE OF ANIMALS ACROSS THE TERRITORY	Ensure legislative compliance across the Territory.	●
	Investigate and prosecute offences under the <i>Animal Welfare Act</i> .	●
	Administer the licensing framework for bodies that use animals for teaching and research purposes.	●
INCREASE CAPACITY OF STAFF TO DELIVER SERVICES	Develop a strong client service focus.	●
	Implement workforce development plans.	●
	Strengthen corporate systems to support staff.	●
	Deliver cross-cultural training to all staff.	●

Achievements in 2012–13

- Responded to 98 per cent of animal welfare complaints within three days.
 - Coordinated community and stakeholder engagement and public awareness campaigns that aimed to improve welfare of animals in the Northern Territory.
 - Provided six animal welfare grants totalling \$200 000 to non-profit organisations to encourage improved animal management practices across the Territory.
-
- Investigated 463 animal welfare complaints in 2012–13.
 - Managed five prosecutions, all of which were successful.
 - Amended the *Animal Welfare Act* in February 2013 to clarify roles and responsibilities and strengthen penalties.
-
- Issued five new licences and renewed four licences.
-
- Established an extra 12 regional frontline positions to support local government development and reform.
 - Reinvigorated the department's client focus through community consultation and an increased focus on partnerships and collaboration.
-
- Formed the Organisation Development Committee, which began consultation and developing workforce plans.
-
- Established a new Local Government SharePoint workspace to allow regional and Darwin-based staff to work more collaboratively.
 - Improved work health and safety management practices to comply with national legislation.
 - Throughout establishment of the new department, staff were regularly consulted and provided with corporate support to manage change effectively, develop their leadership skills and build their resilience.
 - Implemented the corporate governance framework, which promotes ethical and responsible decision making, risk management and financial integrity.
-
- 17 employees (38 per cent of the department's staff) participated in cross-cultural training in Darwin, Alice Springs and Tennant Creek.

FUTURE PRIORITIES

- local government reform
- amendments to the *Local Government Act*
- financial sustainability support
- boundary changes
- establishing local authorities as part of regional councils
- improved community satisfaction in local government services
- ongoing support and development of local government improvements
- increased investment in stakeholder engagement and partnerships.

ABOUT US

ESTABLISHING THE DEPARTMENT

The Department of Local Government was established in September 2012 in response to changes in agency arrangements to refocus the Northern Territory Government on effective and quality service delivery and stronger regions.

A change management strategy was implemented that brought together the Local Government and Animal Welfare sections from the former Department of Housing, Local Government and Regional Services into a new department.

OUR VISION

Stronger local government through sustainable and effective programs.

OUR VALUES

- responsive
- professional
- accountable
- collaborative
- flexible
- diverse
- respectful.

OUR ROLE

The department is responsible for the development and regulation of local government in the Northern Territory and compliance with the *Animal Welfare Act*.

OUR STRATEGIC FOCUS

- strengthen local government capacity
- improve welfare of animals across the Territory
- increase capacity of staff to deliver services.

OUR LEADERSHIP

ALLAN MCGILL

Acting Chief Executive

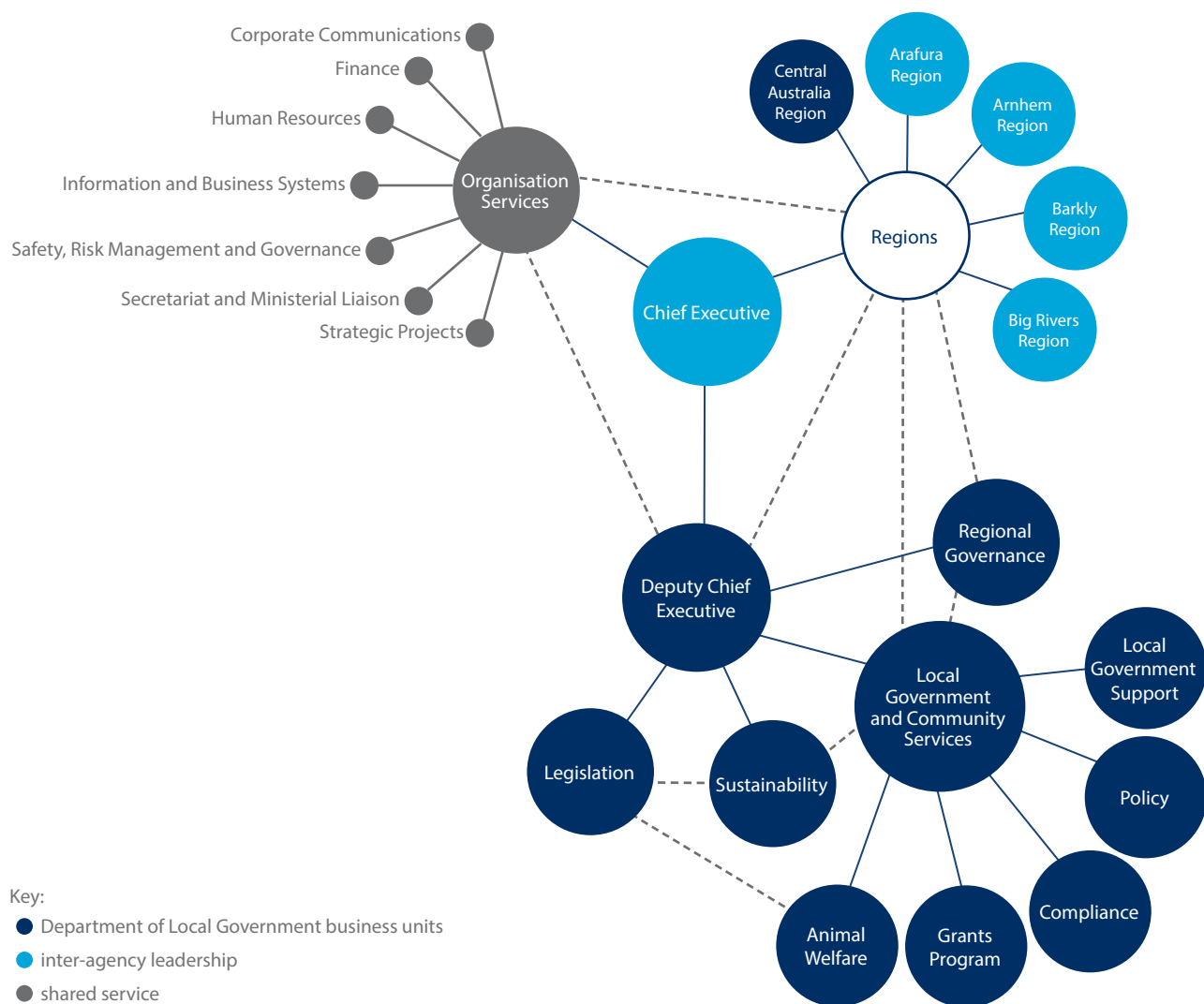
Allan joined the department in April 2013. He previously managed Territory Alliance, a construction company formed to deliver housing and infrastructure under the Strategic Indigenous Housing and Infrastructure Program (SIHIP). Prior to that role, Allan held a number of local government positions, including Chief Executive of the City of Darwin.

DIANE HOOD

Acting Deputy Chief Executive

Diane joined the department in March 2013. Her previous role was Chief Executive of the MacDonnell Shire Council, which services communities between Alice Springs and the South Australian border.

OUR STRUCTURE



The department has four business units: Local Government and Community Services, Local Government Sustainability, Legislation and Regional Governance. The department also has five regional teams that primarily focus on supporting the work of Local Government and Community Services and Regional Governance and are overseen by Regional Executive Directors.

With the exception of the Central Australia region, which is a stand-alone regional office for the department, the department's Chief Executive and Regional Executive Directors are administratively based in the Department of Housing and oversee operations across both the departments. The department's corporate support was provided by Organisation Services under a shared services arrangement between the department and the Department of Housing.

STRENGTHEN LOCAL GOVERNMENT CAPACITY

IMPROVED REGIONAL GOVERNANCE

Since the establishment of the department in September 2012, reform of regional governance in the Northern Territory has been a key priority.

Many residents have expressed feeling disconnected from their shire councils and indicated that more needs to be done to strengthen the connections between local government councils and their constituents and to improve council transparency and accountability to local residents.

In November 2012, the former Minister for Local Government established a 21-member Regional Governance Working Group of community leaders, elected representatives from shire councils, and land councils, and industry representatives. The role of the group was to develop options for regional governance and provide advice on the future of local government arrangements for regional and remote areas of the Northern Territory (see page 61).

As part of the Mini Budget on 4 December 2012, the then Minister for Local Government announced funding of \$6.2 million over four years to develop and implement changes to strengthen local government in the Northern Territory's rural and remote communities.

In March 2013, the department commenced a Territory-wide consultation process to inform the review of local governance in regional and remote areas. The review aimed to:

- make sure people living in regional and remote areas have a strong voice in local government
- use local knowledge, authority and responsibility
- keep strong accountability and good service standards.



CONSULTATION ON OPTIONS FOR REGIONAL GOVERNANCE

Between March and June 2013, the department held 279 community and stakeholder meetings, which were attended by more than 3000 Territory residents.

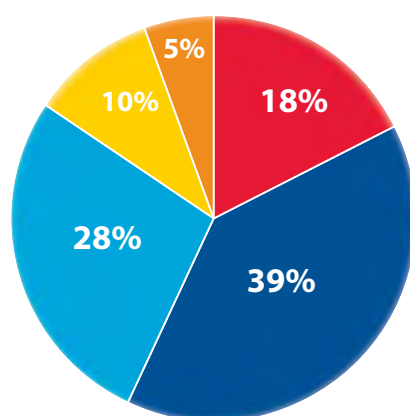
Initial visits were designed to introduce community residents to the consultation paper, 'Options for Regional Governance in the Northern Territory', through discussion with individuals and community stakeholders at the meetings. Once the communities had time to discuss the reforms, a second round of visits were held to conduct more detailed consultation.

Aboriginal interpreters assisted with consultations during both rounds to support a wider understanding and engagement in consultation activities.

OVERVIEW OF CONSULTATION ACTIVITY 11 MARCH TO 21 JUNE 2013



- 49 one-on-one consultations
- 110 consultations involving 2–10 people
- 77 consultations involving 11–20 people
- 28 consultations involving 21–30 people
- 15 consultations involving >30 people



STAKEHOLDERS

The department consulted a wide range of stakeholders to ensure that everyone had the opportunity to provide feedback on improving regional governance.

Our stakeholders:

community

- residents (youth, men and women, and seniors)
- shire employees and councillors
- essential services employees (police, nurses, teachers, and Northern Territory and Australian government employees)
- local business owners and employees.

local government sector

- shires (head office chief executives)
- municipalities
- local government bodies and associations.

other key stakeholders

- Aboriginal corporations and associations
- land councils
- business and industry
- Northern Territory and Australian governments
- non-profit organisations
- general public.

CONSULTATION RESULTS

Community feedback has suggested that:

- There needs to be much stronger communication between councils and local residents.
- There needs to be more local input to council decision making.
- There needs to be clear information provided about council programs, projects and spending in local communities.
- There are too many local consultation groups with all levels of government and this is causing fatigue and confusion.
- Governments should channel all community consultation through the proposed local authority.
- There is not enough local management, and response to requests for minor repairs and maintenance of roads and other council infrastructure is slow.
- Councils could provide more help with personal support services, such as assisting with completing official forms or collecting firewood for elderly residents. These services could be provided on a fee-for-service basis.
- Councillors and members of the proposed local authority need more support to perform their local government roles effectively.
- Members of the proposed local authority should receive an allowance for their contribution to local authority business.
- No new councils should be set up until they can be shown to be sustainable within an agreed framework.

A detailed consultation report is available on the department's website: www.localgovernment.nt.gov.au.

NEXT STEPS IN 2013–14

Based on recommendations made throughout the consultation process, improvements to regional governance will be staged, the first stage was introduced in the August 2013 parliamentary sittings.

Amendments to the *Local Government Act* will introduce regional councils and local authorities to strengthen local engagement. The introduction of local authorities is designed to allow people living in regional and remote communities to have a stronger voice in community decisions and planning.

ONGOING FOCUS ON COMMUNITY CONSULTATION

The Northern Territory Government is committed to delivering a stronger local voice and improved services in regional and remote areas of the Territory. The department will continue to consult with community residents and local stakeholders to inform the planning and implementation of sustainable improvements to regional governance in the Northern Territory.



LOCAL GOVERNMENT SUPPORT

The department develops the strength and capacity of the Northern Territory local government sector by supporting shire and municipal councils to provide legitimate representation, effective governance, improved service delivery and sustainable development. Local government support is provided by:

- developing resources, tools and templates for the online council toolbox
- providing one-on-one support and advice to council administration
- supporting local government associations and facilitating key stakeholder meetings
- administering grant programs that strengthen local employment and community engagement.

During 2012–13, the department's key focus was to support shire councils to improve their planning and reporting. The department worked with the Australian Centre of Excellence for Local Government to produce a resource titled 'Integrated Long-Term Planning: an Information and Resource Package for Rural, Remote and Indigenous Councils'. This resource package was developed to provide practical assistance to rural, remote and shire councils in their development and implementation of integrated long-term planning processes and documents.

The department also developed resources to assist councils with workforce development planning, internal dispute resolution and supporting local boards.

During 2012–13, the department facilitated a total of 16 key stakeholder forums to work towards strengthening council governance and service delivery (page 39).

LOCAL GOVERNMENT COUNCIL REVIEWS

The *Northern Territory Local Government Act* requires the department to establish a program of compliance reviews for councils each year. The purpose for this is to ensure that councils are conducting their business lawfully. If any breaches of the Act have been identified during the visit, the department works closely with councils to rectify any non-compliant matters through support and advice.

When it carries out the reviews, the department is required to report any instances of non-compliance identified to the Chief Executive, the council and, in some circumstances, to the Minister for Local Government.

The department also monitors council reporting to ensure councils meet statutory reporting obligations within certain timeframes, such as rate declarations, budgets and shire plans (which must be submitted to the department by 31 July each year). Council's annual reports and audited financial statements must be submitted to the department by 15 November each year.

In 2012–13, the department conducted compliance reviews on the following councils:

- Barkly Shire Council
- Roper Gulf Shire Council
- Litchfield Council
- East Arnhem Shire Council
- West Arnhem Shire Council
- Katherine Town Council.

LOCAL GOVERNMENT DISCIPLINARY COMMITTEES

The department has two Local Government Disciplinary Committees that deal with complaints about breaches of the code of conduct by elected members of local government bodies. The committees consist of a:

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

In 2012–13, the department received three complaints.

LOCAL GOVERNMENT GRANTS

The department manages a range of local government grants programs. In 2012–13, the department allocated \$68.7 million in local government grants to 25 local government councils and other organisations.

See page 63 for more information about key grants programs.

FINANCIAL ASSISTANCE GRANTS

In 2012–13, Financial Assistance Grants totalling \$31 million were allocated to local government councils. The grants are provided by the Australian Government and are distributed in accordance with the Northern Territory Grants Commission's recommendations.

There are two funding pools: general-purpose funding, which supports councils in the delivery of core local government services, and local roads grants, which go to maintenance and repairs of roads managed by the local governments.

NORTHERN TERRITORY GRANTS COMMISSION

The Northern Territory Grants Commission is an independent statutory authority. Its role is to recommend the allocation of financial assistance grants to the Australian Government Minister for Local Government for approval. Full details of the commission's activities and funding methodologies will be published in the commission's annual report.

NORTHERN TERRITORY OPERATIONAL SUBSIDY

The Operational Subsidy is the main support offered to councils by the Northern Territory Government to assist with providing local government services in rural and remote areas of the Northern Territory. It is paid to the eight local government shires as well as Belyuen, Coomalie and Wagait councils. The Operational Subsidy is not available to municipal councils.

In 2012–13, the NT Operational Subsidy entitlement totalled \$20.5 million.

As part of the Northern Territory Government's commitment to improving services in regional and remote areas, in 2013 the then Minister for Local Government announced an increase of \$5 million to the NT Operational Subsidy in 2013–14.



RESERVES AND OTHER ORGANISATIONS GRANTS

These grants are provided to organisations such as Blatherskite Park and the Nhulunbuy Public Cemetery Trust that provide local government-type services for the benefit of the community. Total grants allocated for 2012–13 was \$591 918.

SPECIAL PURPOSE GRANTS

These grants are open to local governments and other incorporated organisations that provide local government-type services to improve community infrastructure and local government service delivery outcomes. In 2012–13, approximately \$3.5 million was allocated to support community services throughout the Northern Territory.

This program is a submission-based program in which the department assesses applications and provides recommendations to the Northern Territory Minister for Local Government for consideration and approval. Funds are generally allocated to projects that provide services and facilities that meet the community's needs and priorities.

West Arnhem Shire Council was allocated a special purpose grant of \$253 436 to purchase a rubbish compactor for the Gunbalanya community. With the grant contributing to the cost, the shire was able to improve the community's waste management; a high priority in the Gunbalanya community.

FAMILY SAFE ENVIRONMENT FUND

A new local government funding program, the Family Safe Environment Fund, commenced on 1 January 2013 with an annual funding allocation of \$250 000.

The aim of the fund is to provide a safe environment for public park users and nearby residents by reducing incidences of antisocial behaviour, wilful vandalism and graffiti. This will be achieved by providing funding for initiatives such as:

- improving park layout
- installing CCTV cameras
- installing additional lighting
- improving entrances, exits and signage.

In 2012–13, six councils were allocated Family Safe Environment Fund grants. The Barkly Shire Council was allocated \$49 140 for new security lights in three public parks in Tennant Creek.

NATURAL DISASTER RELIEF AND RECOVERY ARRANGEMENTS

The Natural Disaster Relief and Recovery Arrangements (NDRRA) provides financial disaster relief and recovery assistance to local government bodies for repairs to community roads and other essential public assets. Local government bodies that provide resources for other community relief and recovery efforts in a natural disaster may also be eligible for reimbursement under NDRRA.

Assistance may be in the form of a grant or a direct reimbursement to council for expenditure already incurred. Financial assistance must be in accordance with the NDRRA principles.

In 2012–13, the department allocated a total of \$2.313 million to three councils. The East Arnhem Shire Council was funded \$1.43 million for recovery activities after Cyclone Carlos, which enabled it to restore its local road network.



INDIGENOUS EMPLOYMENT PACKAGE

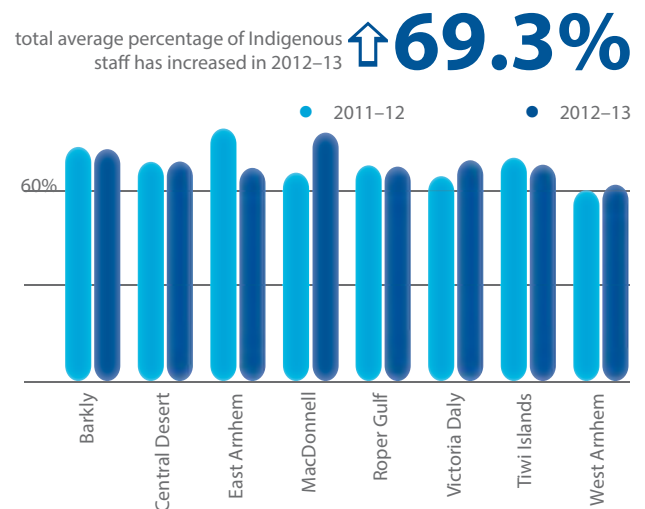
The Indigenous Employment Package is part of a \$30 million, three-year commitment to support core local government service delivery and local employment opportunities. This includes Indigenous employment in civil works crews (road construction and maintenance, parks and gardens, grass and weed management), waste collection and dump management, front desk and back office customer service, library services, emergency services, council building maintenance and plant maintenance.

The package is aimed at providing certainty in long-term job opportunities for Indigenous people and focusses on workforce planning by examining skill set levels, retention rates and succession planning. All shire councils are in the process of completing workforce development plans, and these are in draft form. The plans focus on current skill levels of Indigenous employees, training and career development, developing strategies to combat retention and recruiting issues and ensuring the program's strategic objectives are satisfied.

In 2012–13, three grants totalling \$10.5 million were allocated under the Indigenous Employment Package.

1. The [Indigenous Workforce Matching Grant](#), totalling \$8.2 million, funds 50 per cent of employment costs to support approximately 530 Indigenous employees in positions with shire councils. In 2012–13, nine councils were supported through this grant.
2. The [Mentoring Program Grant](#), funded by the Australian Government, funds workplace mentors to support Indigenous employees. In 2012–13, a total of \$1.6 million was allocated to eight shire councils.
3. The [Local Area Traffic Management Grant](#) funds the cost of local Indigenous employees who work on road construction and maintenance, which improves road safety in remote communities. In 2012–13, a total of \$0.3 million was allocated to five shire councils.

Since the Indigenous Employment Package commenced in 2011, the total percentage of Indigenous staff in shire councils has steadily increased to 69.3 per cent.



COMMUNITY ENGAGEMENT FUNDING

In partnership with the Australian Government, the department launched the Community Engagement Funding program in 2012–13. This one-off funding opportunity of \$538 862 aims to improve community engagement with local government in regional and remote areas.

Applications for the funding opened in May 2013. Five shire councils were successful and grants will be released in 2013–14.

FINANCIAL SUSTAINABILITY

2011–12 REVIEW ON SHIRE COUNCIL FINANCIAL SUSTAINABILITY

In November 2011, the former Department of Housing, Local Government and Regional Services engaged Deloitte to conduct a review of the financial sustainability of the Northern Territory's eight regional and three smaller shire councils. The report, 'Review of Councils' Financial Sustainability', was finalised and publicly released in the first week of June 2012.

The report concluded that, based on existing practices, shire councils are viable in the short term in that they can fund their annual operations, but that shire councils are potentially unsustainable in the long term, meaning they may be unable to absorb large expenditure shocks or maintain and replace assets as and when required. The report further noted that long-term financial sustainability in shire councils could only be achieved through substantial adjustments to revenue and/or expenditure.

The report overviewed the Northern Territory's shire sustainability and recommended 32 remedial actions that, if implemented, would assist in mitigating some of the risk that the shire councils will become financially unsustainable. However, the report could not quantify the level of revenue and/or expenditure required for shire councils to be financially sustainable.

The report noted that an assessment of council sustainability cannot be solely based on financial matters. Other challenges, such as resource capacity, skills, demographic and environmental dimensions, are just as important to consider when assessing overall sustainability of councils.

Given the financial and non-financial elements that influence long-term council sustainability, based on the current operating environments of the shire councils, there will continue to be a high dependency on government funding by councils over the next few years to ensure current service levels are maintained.

ASSISTING THE LOCAL GOVERNMENT SECTOR TO IMPROVE FINANCIAL SUSTAINABILITY

The Deloitte report's 32 recommended remedial actions provide a guide for the department and individual shire councils to improve financial sustainability. However, there are matters that could only be resolved by the Northern Territory and/or Australian governments, particularly in relation to funding.

The department is working in partnership with local governments, Local Government Association of the Northern Territory (LGANT), the department's Local Government Accounting Advisory Committee and other key stakeholders to assist local governments by addressing the financial and budget management-related remedial actions recommended in the report.

The intent of addressing the report's remedial actions is to streamline business and financial management practices so that a consistent and comparable base of information is available across the sector. The department, in collaboration with stakeholders, is developing and trialling additional templates and resources for the online council toolbox that will support the Territory's local government sector to improve asset management and financial management practices.

LEGISLATION

The Department of Local Government is responsible for the following legislation:

ANIMAL WELFARE ACT

This Act provides the scheme for animal welfare matters, including the Animal Welfare Authority and the licensing of premises to be used for teaching and scientific purposes.

See page 16 for further information on changes to the *Animal Welfare Act* and Regulations that took effect during 2012–13.

CEMETERIES ACT

As part of a routine review of legislation managed by the department, in 2012–13 the department reviewed the *Northern Territory Cemeteries Act* and investigated issues including:

- burial in a place other than a cemetery
- burial records
- cremations
- multiple burials.

A discussion paper requesting feedback from the local government sector, key stakeholders and the wider community was released in December 2012. At year end, submissions were being considered and further consultation was in planning.

CROWN LANDS ACT (SECTION 79)

The department is responsible for only section 79 of the *Crown Lands Act*, which deals with the appointment of trustees to reserves.

DARWIN RATES ACT

This Act allows for rating in the East Arm area.

JABIRU TOWN DEVELOPMENT ACT

This Act establishes the Jabiru Town Development Authority and sets out its powers and functions.

LOCAL GOVERNMENT ACT

This Act provides for local government councils in the Northern Territory. The Northern Territory Electoral Commission is responsible for chapter eight of the Act, which deals with local government elections.

The *Local Government Act* includes provisions in relation to councils, council members, council staff, financial management, rates and charges, and regulatory powers.

LOCAL GOVERNMENT GRANTS COMMISSION ACT

The *Local Government Grants Commission Act* establishes the Northern Territory Grants Commission. See page 15 for further information on the grants commission.

LOCAL GOVERNMENT (KATHERINE RATES) ACT

This Act validated the rates levied in the municipality of Katherine in 1998 and 1999.

NUDITY ACT

The *Nudity Act* establishes the free beach in the Casuarina Coastal Reserve.

PLACES OF PUBLIC ENTERTAINMENT ACT

The *Places of Public Entertainment Act* was repealed on 29 May 2013. The Northern Territory legislation was derived from the South Australian *Places of Public Entertainment Act*, which was repealed by South Australia in 1995. The legislation concerned the regulation of businesses that provide public entertainment. The regulation of such places is now covered by other law, such as the *Fire and Emergency Act*, the *Public and Environmental Health Act* and the Building Code.

POUNDS ACT

The *Pounds Act* provides a power to establish pounds for wandering cattle and for the duties, responsibilities and obligations of pound keepers.

STATUS OF DARWIN ACT AND STATUS OF PALMERSTON ACT

These Acts provide that Darwin and Palmerston are cities.

REGIONAL FOCUS

A key priority for the department is to improve its regional focus, provide greater support for regional and remote local governments and work with the local government sector to improve community services, governance and leadership, and community engagement.

As the conduit between the regional local governments and the Northern Territory and Australian governments, the department's regional teams are essential to ensure people living in regional and remote areas have a strong voice in local government.

In 2012–13, the department increased regional support and resources, established a new stand-alone regional office in Central Australia and an Arafura regional office under a shared service arrangement with the Department of Housing and commenced recruitment of 12 new regional positions across the Territory that will work directly with local government councils and community representatives.

Arafura Region

Local governments:

- Tiwi Islands Shire
- West Arnhem Shire

Number of communities: 9

(Includes major remote towns highlighted in map)

Land area: 57 200 km²

Population: 9400

Darwin and surrounds

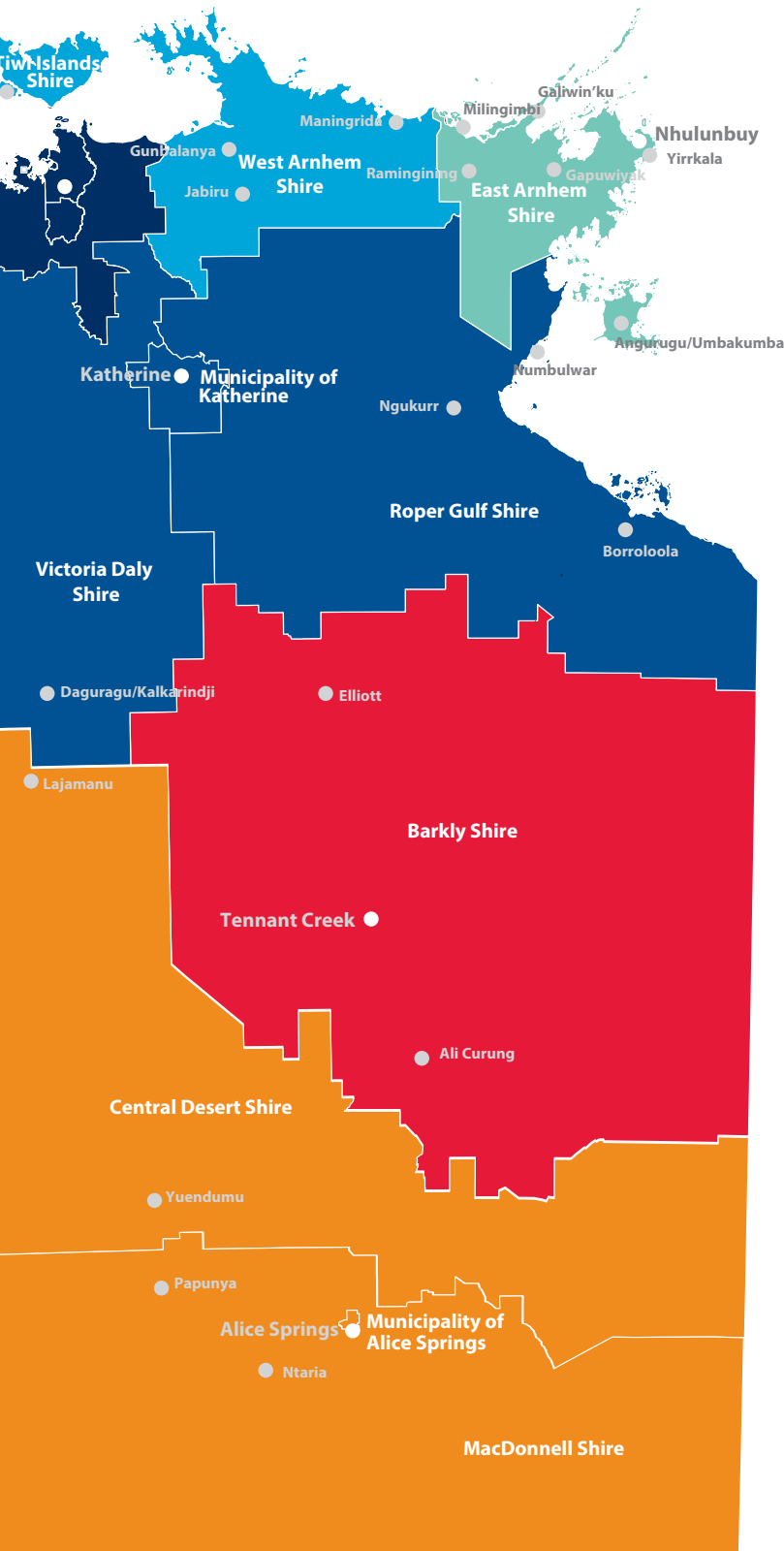
Local governments:

- Belyuen Shire
- City of Darwin
- City of Palmerston
- Coomalie Shire
- Litchfield Shire
- Unincorporated area
- Wagait Shire

Land area: 24 100 km²

Population: 126 900





East Arnhem Region

Local governments:

- East Arnhem Shire

Number of communities: 9

(Includes major remote towns highlighted in map)

Land area: 33 300 km²

Population: 10 000

Big Rivers Region

Local governments:

- Katherine Town Council
- Victoria Daly Shire
- Roper Gulf Shire

Number of communities: 21

(Includes major remote towns highlighted in map)

Land area: 360 200 km²

Population: 23 700

Barkly Region

Local governments:

- Barkly Shire Council

Number of communities: 8

(Includes major remote towns highlighted in map)

Land area: 322 700 km²

Population: 7500

Central Australia Region

Local governments:

- Alice Springs Town Council
- MacDonnell Shire
- Central Desert Shire

Number of communities: 23

(Includes major remote towns highlighted in map)

Land area: 551 200 km²

Population: 40 100

Source: Northern Territory Government Bushtel
www.bushtel.nt.gov.au

IMPROVE WELFARE OF ANIMALS ACROSS THE TERRITORY

INVESTIGATIONS AND PROSECUTIONS

In 2012–13, Animal Welfare received 463 complaints that were investigated. With an average of approximately 38 complaints per month, this is the most complaints received in a year.

All animal welfare complaints are investigated by an Animal Welfare Inspector or Northern Territory Police officer and managed on case-by-case basis. The majority of complaints are managed by providing advice and education on appropriate care of animals or issuing directions to the owner to address welfare issues. In 2012–13, 37 direction notices were issued.

37

direction notices to improve
animal welfare issued in 2012–13.

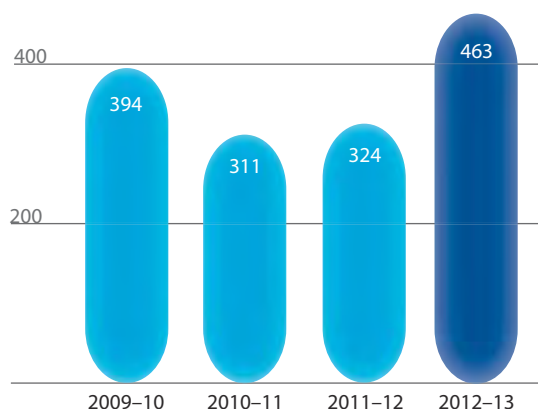
Where matters are of a serious nature, inspectors begin prosecution, seizing the animals until the matter is resolved. All five prosecutions in 2012–13 were successful.

SNAPSHOT OF ANIMAL WELFARE COMPLAINTS AND RESPONSE

38

complaints on average
per month in 2012–13

Total animal welfare
complaints



Animal welfare
complaints responded
to within 3 days

95% 94% 99% 98%

IMPROVEMENTS TO ANIMAL WELFARE ACT

On 20 February 2013, amendments to the *Animal Welfare Act* came into force to strengthen the Act and improve animal welfare in the Territory. The amendments to the Act:

- introduce the concept of a minimum level of care that must be provided to an animal
- introduce three levels of offences (breach of the duty of care, cruelty to an animal and aggravated cruelty to an animal)
- extend the time limit for commencing proceedings under the Act from 12 months to two years
- provide greater penalties for offenders; the maximum penalty for aggravated cruelty will be 200 penalty units or imprisonment for two years (200 penalty units is currently \$28 200)
- improve clarification of the roles, functions and power of the Animal Welfare Authority
- allow for the Animal Welfare Authority to apply for sale or disposal of a seized animal.

A full review of the *Animal Welfare Act* is planned in 2013–14.

ANIMAL WELFARE AUTHORITY

The minister must appoint a Chief Executive Officer or an employee, as defined in the *Public Sector Employment and Management Act*, to be the Animal Welfare Authority.

The main functions of the Animal Welfare Authority are to:

- ensure compliance with the Act and prosecute offences against the Act
- appoint inspectors and officers and be responsible for their performance
- administer the licensing regime for premises used for teaching or research
- otherwise administer the Act
- perform any other functions imposed on the authority under the Act.

LICENSING FOR RESEARCH AND TRAINING

Using premises for the purpose of teaching and research involving animals is regulated in the Northern Territory under the *Animal Welfare Act*. In order to conduct teaching and research involving animals, the applicant must be licenced. A licence may be subject to conditions in relation to:

- use of animals in the teaching or research
- welfare of the animals used in or bred for the teaching or research
- facilities and equipment relevant to the use or breeding of animals in the course of the teaching or research
- adoption of a specific code of practice
- veterinarian care and treatment.

In 2012–13, five new licences were issued and four licences were renewed for the purpose of using premises for teaching and research involving animals. The licences included organisations undertaking marine and land surveys, medical advancement and general fauna and flora surveys.

The Animal Welfare Branch conducting its yearly inspection of the animals from the Circus Royale at Karu Park on Bagot Road. The animals appeared to be happy, healthy and content in their environment.



ANIMAL WELFARE INSPECTORS AND OFFICERS

Animal welfare inspectors and officers are appointed under section 57 and 58 of the *Animal Welfare Act* by the Animal Welfare Authority. Inspectors and officers have certain powers afforded to them under the Act that enable them to investigate offences of animal cruelty and neglect and take appropriate action as deemed necessary under the regulatory framework.

At 30 June 2013, the Animal Welfare unit had seven full-time inspectors employed by the department and 20 inspectors employed by other organisations, such as the Department of Primary Industry and Fisheries, the Parks and Wildlife Commission and local government councils. Northern Territory Police officers also have the powers and functions of an inspector.

All animal welfare inspectors and officers are provided accredited training in investigations. In 2012–13, two new inspectors completed a Certificate IV in Government Investigations. In line with government's continuous improvement philosophy, a five-day investigator training refresher course was conducted, with 20 participants from government departments including the Department of Primary Industry and Fisheries, Parks and Wildlife, the Department of Housing and the Alice Springs Town Council.

Animal welfare officers must be veterinarians, appointed by the authority, and support animal welfare inspectors with their investigations and assessment of animal conditions. As at 30 June 2013, there were three animal welfare officers appointed by the authority.



COMMUNITY AND STAKEHOLDER ENGAGEMENT

OUR STAKEHOLDERS

- Territorians who own or work with animals
- Royal Society for the Prevention of Cruelty to Animals (RSPCA)
- Australian Veterinary Association
- local government sector
- livestock, farming or fisheries industries and professional associations
- education and research facilities.

ENGAGEMENT ACTIVITIES

Animal Welfare regularly engages with stakeholders through:

- advisory committee meetings
- participation in community events such as the Pet Expo and RSPCA Million Paws Walk
- presentations to professional associations, local government and non-profit organisations
- collaboration with key stakeholders
- inspectors' visits throughout the Territory, including to schools and remote Indigenous communities and town camps.

The Animal Welfare Branch has completed its presentations to Alice Springs Police informing them of their powers, functions and duties under the Act. All Alice Springs Police officers have now undergone the Animal Welfare Branch information sessions.

The Animal Welfare Branch instigated and facilitated a stakeholder meeting about animal management and education in the Darwin and Palmerston areas. Present at the meeting were representatives from the departments of Families, Housing, Community Services and Indigenous Affairs, and from Animal Management in Rural and

Remote Indigenous Communities, City of Darwin, City of Palmerston, Yilli Rreung Housing Aboriginal Corporation and the Ark Animal Hospital.

A two-week community engagement road trip through the Victoria Daly region was undertaken in an effort to improve community understanding about responsible pet ownership and obligations under the *Animal Welfare Act*. In particular, the communities of Wadeye, Kalakaringi, Daguragu, Daly River, Palumpa, Peppimenarti, Timber Creek, Top Springs and Yarralin were visited.

EDUCATION CAMPAIGN

The Animal Welfare Branch continued its 'Animal Welfare Education in Schools' program during 2012–13, with five school presentations held in the Alice Springs region. The students were introduced to the functions of the Animal Welfare Branch, the expected duty of care required when looking after an animal and how best to care for animals. In total, more than 160 students have been visited by an Animal Welfare Inspector since the program began.

The department has a suite of animal welfare-branded materials and displays to support education campaigns. Animal Welfare coordinates two annual advertising campaigns:

- Looking after your pets at Christmas (December 2012)
- Looking after your pets during Territory Day fireworks (June 2013).

Total advertising expenditure for 2012–13 was \$15 794. This paid advertising is supported by news updates on the department's website.



In addition, key messages informing Top End residents of how to look after their pets during a cyclone are communicated as part of the Northern Territory Government's SecureNT campaign via Twitter and Facebook.

In response to an increased number of complaints, a key focus for the department in early 2013 was to raise awareness of the dangers of leaving dogs in a parked car. The campaign educated people on their responsibilities under the Act and provided helpful tips for preventing and managing heat stroke. Flyers and posters were distributed widely to stakeholders and displayed in major un-shaded car parks in Darwin and Alice Springs.

Information and education resources are also available on the department's website: www.localgovernment.nt.gov.au.

ANIMAL WELFARE GRANTS



In 2012–13, a total of \$200 000 in Animal Welfare Grants (page 69) were provided to six eligible non-profit organisations. The grants support education programs and resources and encourage improved animal management practices in the community, including remote communities.

The Northern Territory Cattlemen's Association was allocated funding through this grant to produce a 20-minute video and booklet entitled 'Don't rattle the cattle'. It covered a range of animal welfare topics such as rules and regulations, and animal welfare in the paddock, in the yards, when handling animals and when mustering.

ADVISORY COMMITTEES AND MEMBERSHIPS

The department coordinated two animal welfare advisory committees in 2012–13. These include representatives from the Northern Territory Government, local government, veterinarians and non-profit organisations.

1. The [Animal Welfare Advisory Committee](#) provides advice to the Minister for Local Government on animal welfare matters.
2. The [Counter Disaster Animal Welfare Committee](#) provides specialist advice on animal welfare issues and animal management during emergencies, such as a cyclone.

The department's Director of Animal Welfare is also a member of the two key international networks that promote animal welfare.

[World Society for the Protection of Animals \(WSPA\)](#) exists for the sole purpose of raising the standards of animal welfare throughout the world. WSPA's work is focussed on four priority animal welfare areas: animals in communities, in the wild, in farming and in disasters.

[Australasian Environmental Law Enforcement and Regulators Network \(AELERT\)](#) is a collective of regulatory agencies from Australian and New Zealand governments at the local, state and federal level. The purpose of AELERT is to facilitate better regulatory practice in environmental regulation and support effective, efficient knowledge about the regulatory practice to drive continuous improvement and new approaches to the 'regulatory craft'.

WORKING WITH RSPCA DARWIN

Strengthening relationships with the RSPCA is central to managing animal welfare in the Northern Territory. Through this informal partnership arrangement, the department has worked with the RSPCA in Darwin to implement innovative approaches to managing animal welfare in the Northern Territory and improving caring arrangements for animals that are seized during an investigation.

NEW KENNELS AT RSPCA DARWIN

Six kennels have been built in partnership with the RSPCA to provide temporary shelter for animals that are seized or surrendered to animal welfare inspectors.

The kennels were opened by the then Minister for Local Government in February 2013.

The kennels can accommodate up to 12 animals and were constructed as a result of a partnership between the Northern Territory Government, RSPCA, local businesses and community volunteers.

An increase in animal welfare prosecutions has resulted in a need for further housing facilities for animals that are seized or surrendered while court proceedings take place.

Animal Welfare previously relied on services provided by the RSPCA, veterinary clinics, local pounds and members of the community to assist in caring for seized animals.

The new kennels will be used primarily by Animal Welfare. However, the RSPCA will also have access to the kennels when not in use by Animal Welfare, which will benefit the whole community.

The department's Animal Welfare team volunteered time out of hours to source donations and supplies and build the kennels. The team was recognised later in the year in the Staff Recognition Awards (page 30).

TOP: Animal Welfare Branch and helpers take a short break for a photo

BOTTOM: Former Minister for Local Government, Chief Minister, Adam Giles, with Peter Cookson, former Director of the Animal Welfare Branch, on a visit to the new RSPCA kennels



INCREASE CAPACITY OF STAFF TO DELIVER SERVICES

BUILDING OUR WORKFORCE

When the Department of Local Government was established in September 2012, it had 32 employees. As a result of the Mini Budget released on 4 December 2012, additional resources were provided to support the consultation, planning and implementation of improvements to regional governance. As a result, the Regional Governance Unit was formed and 12 additional full-time equivalent positions were established in the department to support the improvements to regional governance.

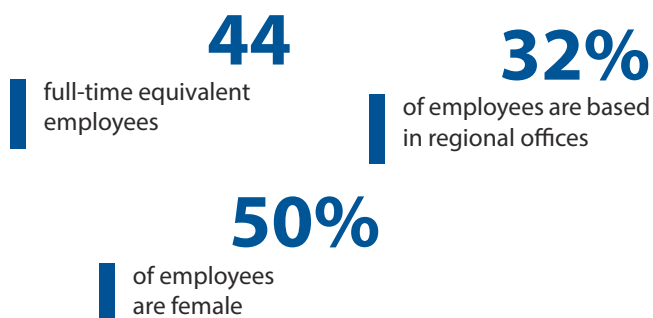
At 30 June 2013, the agency employed 44 full-time equivalent staff across the Territory.

PLANNING AHEAD

In late 2012, the Organisation Development Committee was formed to support the Executive Management Leadership Team with strategic workforce planning.

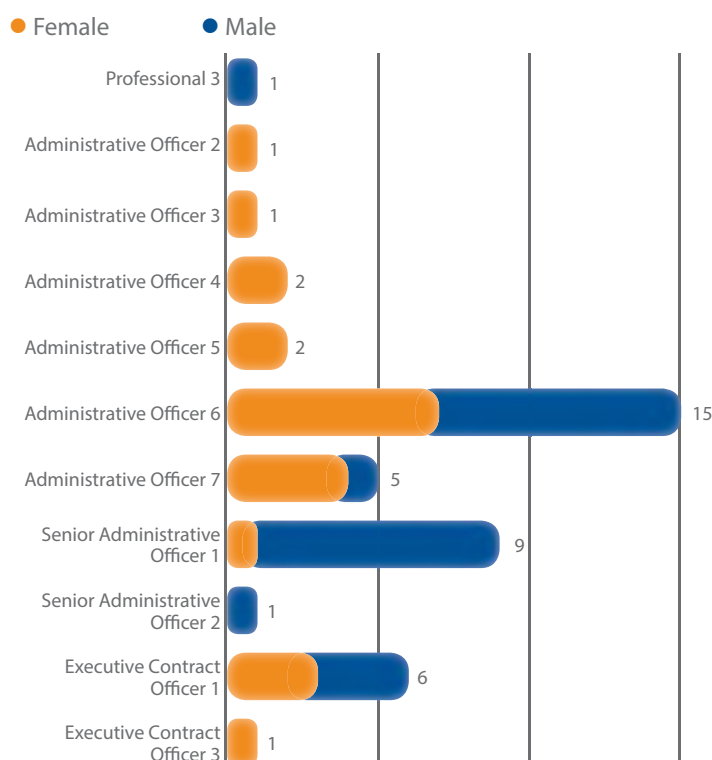
The committee provides advice and direction in developing the capabilities of the department to deliver on the corporate strategy and Northern Territory Government priorities now and into the future.

WORKFORCE PROFILE AT 30 JUNE 2013

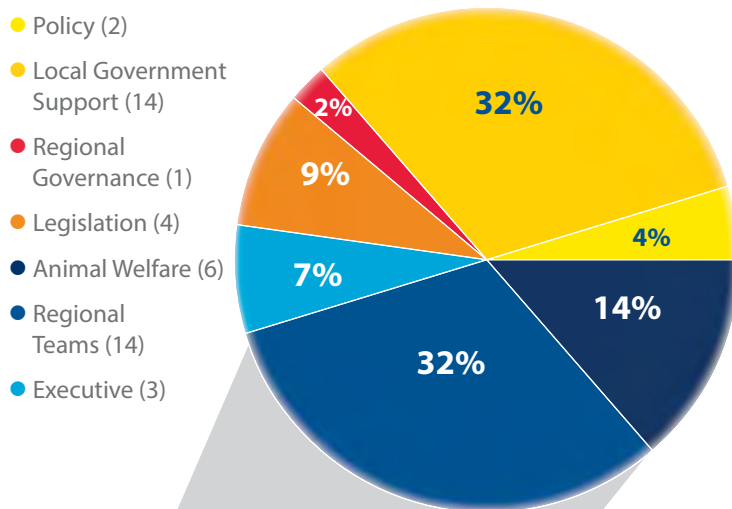


- 4 women employed in executive positions
- 16% Aboriginal and Torres Strait Islander employees
- 11% of employees with a disability
- 51 years is the average age of employees.

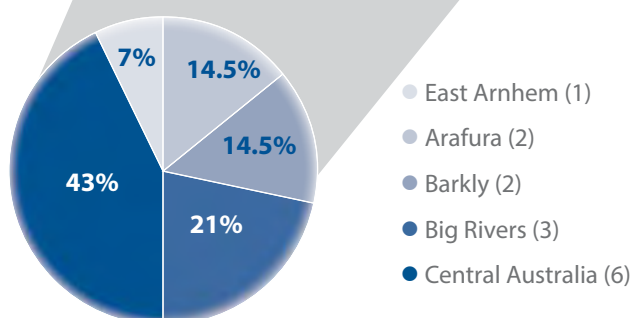
EMPLOYEES BY DESIGNATION AND GENDER



OUR TEAMS

EMPLOYEES BY DIVISION/
TEAMS AS AT 30 JUNE 2013

EMPLOYEES BY REGIONAL TEAMS

COMMENCEMENTS AND
SEPARATIONS IN 2012-13

- 10 employees commenced
- 15 employees separated
- 34% staff turnover rate

Human Resource consultants provide advice and support to managers on recruitment and selection processes to ensure that appropriate principles are applied and appeals are minimised. In 2012-13, no appeals were received.

New employees are inducted into the department by their managers and provided with ongoing support and development. There are a number of induction resources and guides for employees and managers available on the department's intranet.

Employees who are new to a permanent position in the Northern Territory Public Sector are supported by their manager and human resource consultant through a probation process.

Employees leaving the department are invited to participate in an exit interview questionnaire. The feedback from this questionnaire aids the department in tailoring retention and succession management activities to retain its workforce and reduce turnover.

EARLY CAREER PROGRAMS

The department supported a range of Northern Territory Government early career programs as part of the shared services model with the Department of Housing and the Department of Regional Development and Women's Policy.

The department's Animal Welfare Branch also hosted a senior student from Casuarina Senior College who was studying a Certificate II in Business.

LOOKING AFTER OUR PEOPLE

ENGAGEMENT ACTIVITIES IN 2012–13

- regular employee catch ups held with the Chief Executive
- 37 Chief Executive newsletters distributed and 33 internal broadcasts
- 10 employees recognised in Staff Recognition Awards
- Local Government collaboration space established on SharePoint.

RECOGNISING OUR EMPLOYEES AND TEAMS

In February 2013, Staff Recognition Awards were introduced to recognise outstanding achievements by individuals and teams in the department. Individuals and teams are nominated by their colleagues throughout the year.

THIS YEAR'S WINNERS:

Staff awards

Kate Wheen: as team leader of Local Government Support, Kate continually strives to improve communication and collaboration between the department's regional teams and the central office. Kate coordinated regular video and telephone conferences and was the driving force behind the development of the department's SharePoint site.

Michelle Woodward: Michelle enthusiastically embraced her new role as an animal welfare inspector with a positive, responsive and professional approach. In her short time with the department, Michelle has completed her Certificate IV in Government Investigations and travelled throughout the Top End to inspect cattle stations and investigate complaints. She also took on the new role of Custody and Care Officer for animals seized by the department and instigated new processes to manage and monitor animals in custody.

Teams awards

Animal Welfare Team: this team continually strives for improved animal welfare in the Northern Territory. In early 2012 the team members went above and beyond their roles to source donations of materials and then build new kennels at RSPCA Darwin, which are used by both organisations as a shared facility.

Local Government Grants Team: this is a small but effective team. Both Peter Thornton and Donna Hadfield work diligently behind the scenes to manage the department's grants programs and support the NT Grants Commission in ensuring local government grants are administered effectively and efficiently.



Michelle Woodward, Animal Welfare Inspector,
at RSPCA Million Paws Walk 2013.

WELLBEING AND SUPPORT

The wellbeing of employees in the workplace is a priority for the department. In January 2013, the department launched a Health and Wellbeing program which includes the Employee Assistance Program, free influenza vaccinations, and social and charity events and activities.

WORK LIFE BALANCE

Under the *Northern Territory Public Sector Employment and Management Act*, there a number of work/life balance initiatives available to the department's employees, including:

- flexible working hours
- purchasing additional recreation leave or taking recreation leave at half pay
- working from home or regional offices
- career break or extended leave options.

In 2012–13, the department supported two employees in flexible working hours.

WORK HEALTH AND SAFETY

Throughout the year, the department, in partnership with the Department of Housing and the Department of Regional Development and Women's Policy, invested time and resources in developing its work health and safety management practices to comply with new national legislation. Various initiatives were implemented, including:

- A formally documented Work Health and Safety Management System was put in place and is available to all staff through the department's intranet.
- Worksite Committees were formed at all of the department's locations to monitor and manage site-specific work health and safety issues.
- A SharePoint site was developed to assist the Worksite Committees with local issues and to help promote broader communication on work health and safety to all employees.
- Work health and safety is now a standing agenda item at all departmental management and team meetings.
- A centrally managed communication program was implemented, whereby safety messages are communicated to all staff each month through the intranet and via the Chief Executive's newsletter.

Work health and safety is recognised in the department's Corporate Governance Framework and is one of the six specialist subcommittees that provide support and advice to the Executive Management Leadership Team.

There were five work health and safety incidents reported as at 30 June 2013.

Workers' compensation claims as at 30 June 2013

Workers' compensation claims	Number of claims
Claims as at 1 July	5
New claims	2
Claims resolved	2
Open claims as at 30 June	4
Staff currently receiving workers' compensation payments	11



RSPCA events

Department employees are encouraged to participate in charitable and community events as part of the department's Health and Wellbeing Strategy. In 2012–13, the Animal Welfare Branch hosted a department-wide morning tea to celebrate RSPCA Cupcake Day.

An animal welfare inspector attended the RSPCA Million Paws Walk in May 2013 at the Jingili Water Gardens, mingling with the community and their pets and raising the profile of animal welfare inspectors.

DEVELOPING OUR PEOPLE

CROSS-CULTURAL TRAINING

In 2012–13, 38 per cent of employees participated in cross-cultural training. As a priority set out in our corporate plan, 17 employees participated in cross-cultural training provided in Darwin, Alice Springs and Tennant Creek.

BUILDING A POSITIVE CULTURE

Our values are outlined in the Corporate Plan 2013–2015 and the department is committed to fostering a positive workplace culture of respect for all employees.

The department implements an Appropriate Workplace Behaviour Policy that provides guidance on what is considered appropriate and the process for dealing with inappropriate behaviour.

No complaints of grievances were lodged in 2012–13.

BUILDING A RESILIENT WORKFORCE

Employee feedback, support and development were at the centre of the Change Management Strategy launched in September 2012 to guide the establishment of the department. This improved the capacity of employees to effectively and positively manage change while maintaining quality services standards.

The department provided a range of support to staff, including:

- Human Resource Consultants provided one-on-one support to employees.
- An inter-agency Change Management Committee with staff representatives was established to ensure employee feedback was considered.
- Twelve employees participated in a range of workshops, including conflict resolution and coaching, personal resilience and change management.
- A total of \$7892 (in 2012–13) was spent by employees and their families utilising the Employee Assistance Program.

STUDY ASSISTANCE

Staff are encouraged to increase their professional development through formal studies in areas relevant to the department's core business. During the reporting period, one employee studying a Bachelor of Laws received study assistance.

LEADERSHIP DEVELOPMENT

6 employees supported

In 2012–13, six department employees participated in leadership programs

The department invests in the development of its leadership by supporting staff to participate in Northern Territory Government leadership programs provided by the Office of the Commissioner for Public Employment, including:

- Public Sector Management Program
- Discovery, Women as Leaders
- ANZSOG Women in Leadership
- Executive Leadership Program
- Future Leaders Program.

PERFORMANCE AGREEMENTS

Participating in Performance Agreements is expected of all staff. Performance Agreements are:

- important individual conversations between staff and their manager to plan future priorities and development opportunities
- an opportunity to reflect on achievements and challenges
- a tool to capture regular feedback and direction provided throughout the year.

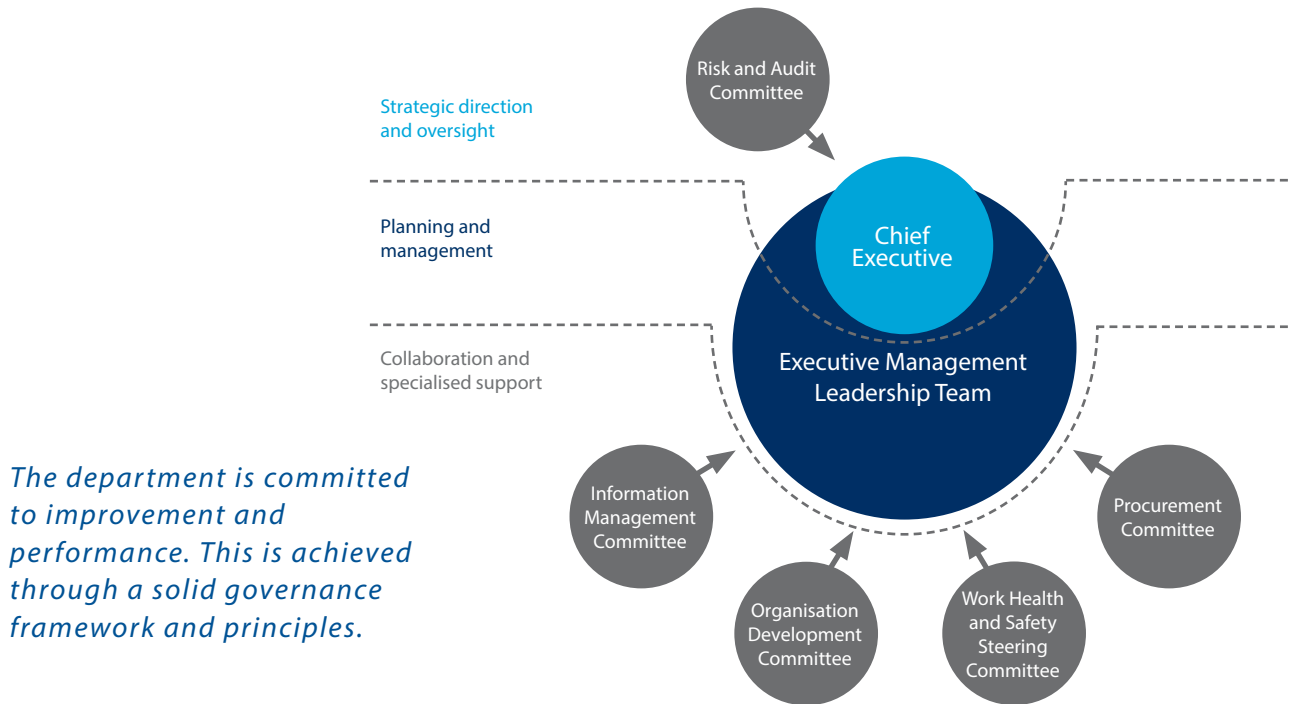
Constructive Performance Agreement discussions cultivate productive working relationships, build capable, high-performing teams and achieve results.

The NTPS Capability and Leadership Framework is an effective tool that can be used in the Performance Agreement process. Information on the Performance Agreement process is available on the agency intranet, together with a suite of tools for managers and employees to complement this process.

If required, Human Resources provide support to managers and staff to address performance issues.

COMMITMENT TO IMPROVEMENT AND PERFORMANCE

CORPORATE GOVERNANCE FRAMEWORK



The department is committed to improvement and performance. This is achieved through a solid governance framework and principles.

The department's Corporate Governance Framework provides a solid foundation for management and oversight by the Chief Executive and Executive Management and promotes ethical and responsible decision making, risk management and financial integrity.

The department's Executive Management Leadership Team (page 34) is the governing body and includes representatives from each region. This structure ensures a balanced decision-making approach that considers regional and Territory-wide impacts.

Our governance principles are:

- Service delivery that is professional, responsive and client centric.
- Ethical and responsible decision making is expected across all levels of the department.
- People are central to the department's success, and we are committed to effective people management and staff wellbeing.
- Stakeholder engagement is a key focus, with effective and regular engagement that informs our strategic direction and programs.
- Leadership and management through robust governance and effective executive leadership.
- Risk management practices that support a risk management environment across the department.
- Financial integrity and accountability is safeguarded.
- Communication with all parties that ensures information is relevant, timely, accessible and transparent.

EXECUTIVE LEADERSHIP MANAGEMENT TEAM

As an integral part of the Corporate Government Framework, our Executive Leadership Management Team was established in October 2012 and meets monthly to provide strategic direction, leadership and decision making for the department.

Members of Executive Leadership Management Team as at 30 June 2013:

- **Allan McGill**
A/Chief Executive (Chair)*
from April 2013
- **Diane Hood**
A/Deputy Chief Executive
from March 2013
- **Peter Boyce**
A/Senior Executive Director, Organisation Services*
from March 2013
- **Darren Johnson**
Regional Executive Director, Arafura*
from February 2013
- **Julianne Donnelly**
Regional Executive Director, Arnhem*
from June 2013
- **Steven Edgington**
Regional Executive Director, Barkly*
from September 2013
- **John de Koning**
Regional Executive Director, Big Rivers*
from September 2013
- **Len Griffiths**
Regional Executive Director, Central Australia
from February 2013

*shared services arrangement. See 'Our Structure' on page 10 for more information.

SPECIALIST INTERNAL COMMITTEES

Inter-agency specialist committees in risk and audit, procurement, information management, work health and safety and organisation development were established with both internal and external representatives. Their purpose is to support the department's Executive Management Leadership Team and the Chief Executive to operate effectively and efficiently under new corporate governance arrangements.

Risk and Audit Committee: provides objective assurance and assistance to the Chief Executive in meeting their responsibilities as defined under the *Public Sector Employment and Management Act*, and in so doing add value to improving the organisation's risk, control and compliance framework.

Membership: Jennifer Prince (Independent Chair), Peter Boyce (Organisation Services), Diane Hood (Department of Local Government), Mike Chiodo (Department of Regional Development and Women's Policy), Mychelle Curran (Department of Housing), John de Koning (Big Rivers Region).

Information Management Committee: governs information management for the department, providing advice and direction on cross-government information management initiatives and appropriate technology and architecture.

Membership: Bronwyn Lo (Chair, Organisation Services), Michelle Brown (Department of Regional Development and Women's Policy), Andrew Kirkman and Christine Fitzgerald (Department of Housing), Steve Edgington (Barkly Region), Garry Russell, Sue Barnes and Nathan Schultz (Organisation Services).

Organisation Development Committee: develops the department's Strategic Workforce Development Plan and ensures that the agency workforce is skilled and has the capabilities required to deliver on corporate objectives now and into the future.

Membership: Peter Boyce (Chair, Organisation Services), Giovina D'Alessandro (Department of Local Government), Bridgette Bellenger (Department of Regional Development and Women's Policy), Danielle Cross (Department of Housing), Christine Hart (Central Australia Region).

Work Health and Safety Steering Committee: facilitates employee consultation and communication process on work health and safety matters and supports the department to ensure safety factors are considered in all department decisions and worksites.

Membership: Monica Birkner (Chair, Organisation Services), Keith Watkinson (Organisation Services), Diane Hood and Richard Munt (Department of Local Government), David Alexander (Department of Regional Development and Women's Policy), Colleen Gwynne (Department of Housing), Darren Johnson (Arafura Region).

Procurement Committee: monitors procurement practices and provides advice to ensure the department appropriately applies procurement practices, optimises outcomes and achieves greater value for money.

Membership: Ron McLaren (Chair, Organisation Services), Len Griffith (Department of Local Government, Central Australia), Mike Chiodo (Department of Regional Development and Women's Policy), Mychelle Curran, John Harrison, Roman Finch (Department of Housing), Carol Sexton (Organisation Services).

EFFICIENT SHARED ORGANISATION SERVICES

Following the announcement of new agency arrangements, Organisation Services was established in October 2012 as a shared service for the Department of Regional Development and Women's Policy, the Department of Housing and the Department of Local Government. Service level agreements are in place for each functional area of Organisation Services:

- Corporate Communications
- Finance
- Human Resources
- Information and Business Systems
- Safety, Risk Management and Governance
- Secretariat and Ministerial Liaison
- Strategic Projects.

The frameworks and services provided by Organisation Services are applied efficiently across all three departments while being flexible to suit our specific needs. Through an innovative shared service arrangement that maximises government resources across the three departments, Organisation Services supports our strategic direction and performance by:

- providing essential corporate support
- coordinating our corporate governance and accountability frameworks
- managing our specialist inter-agency committees to support the Executive Management Leadership Team.

A shared understanding of roles and responsibilities across departments and regular inter-agency meetings and collaboration supports continuous improvement and efficiencies through the shared services arrangement.

ACCOUNTABILITY

ACCOUNTABILITY FRAMEWORK

To support achievement of deliverables, the department established an Accountability Framework in 2013 that clearly identifies authorities, responsibilities and accountabilities of all business areas.

LEGISLATION COMPLIANCE

The governance and accountability frameworks facilitate compliance within our governing legislation including:

- *Financial Management Act*
- *Procurement Act*
- *Contracts Act*
- *Public Sector Employment and Management Act*
- *Anti-Discrimination Act*
- *Work Health and Safety Act*
- *Information Act*
- *Public Information Act.*

See page 70 for an index of reporting against the legislation.

TRANSPARENCY AND OPENNESS

ACCESS TO INFORMATION

In accordance with the *Information Act*, the department enables interested people to access information held by the department through the Information Officer.

The department has published a list of the information held and the most expedient methods of accessing that information. The listing and the department's information access policy are available on our agency's website or by contacting our Information Officer.

During 2012–13 reporting period, the department did not receive or respond to any formal or informal information access requests.

PERSONAL INFORMATION

The department undertakes to protect the personal information it holds by collecting only the information that is necessary to perform its functions, holding the information for only the period of time required by business, legislative or historical reasons, and protecting such information from unauthorised disclosure or access.

No privacy breach notifications were lodged during the 2012–13 reporting period.



CORPORATE COMMUNICATIONS

Transparency and effective communication is essential to building trust with our stakeholders and ensuring our employees are well informed.

In addition to meeting legislative reporting obligations, the department endeavours to provide regular reporting on its activities on the department's website and by presenting and tabling reports in local and national forums.

Timely, accurate and appropriate internal information is facilitated through regular Chief Executive newsletters to all staff and internal broadcasts.

INTEGRITY

OUR VALUES

The Northern Territory Public Sector Code of Conduct, department values and our governance principles guide our people in their day-to-day activities, decisions and dealings with stakeholders. The department values (page 9) reinforce our commitment to fostering a department culture that is positive, professional and respectful.

DISCLOSURE OF INTERESTS

In line with the Code of Conduct and *Public Sector Employment and Management Act*, all employees are required to declare any financial or other interests of themselves or their relatives, friends or associates. This includes any actual, potential or perceived conflicts of interest.

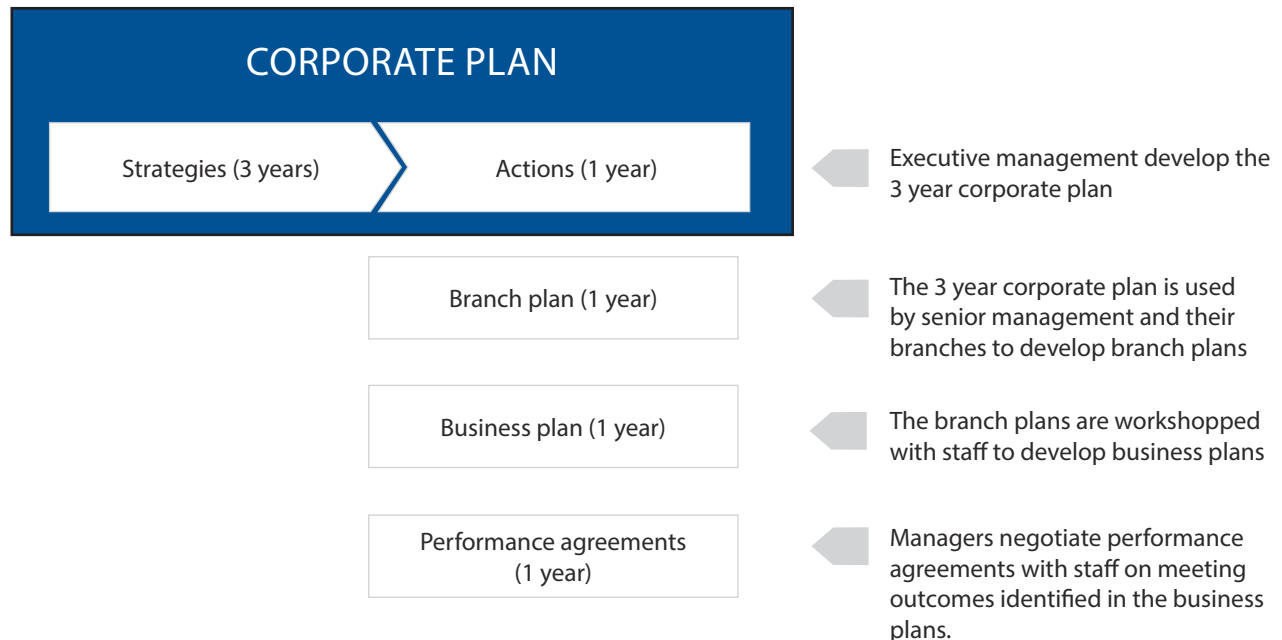
There are a number of disclosure policies and procedures in place that are regularly reviewed and communicated across the department that encourage employee disclosure and maintain our integrity.

All department employees must:

- obtain permission from the Chief Executive for outside employment and renew it on an annual basis
- advise their supervisor of offers of gifts or benefits and obtain approval before accepting any offer
- complete a declaration of interest and confidentiality form for all procurement activities if the employee is involved in contract assessments.

PLANNING AND DECISION MAKING

CORPORATE PLANNING FRAMEWORK



CORPORATE PLANNING FRAMEWORK

The department's corporate planning framework ensures staff at all levels understand and support the strategic direction of the department. Branch Plans were finalised during 2012–13 and Business Plans and Performance Agreements will be developed in 2013–14. Collaboration with staff is encouraged throughout the planning process.

AUDITS AND REVIEWS

Auditing helps to ensure the department is operating effectively and efficiently and is compliant with appropriate legislation.

During 2012–13, the department participated in one external audit as part of the Northern Territory Auditor-General's audit program.

Outcomes for external audits were generally satisfactory. External audit findings and recommendations inform the Executive Management Leadership Team on improving processing and procedures. Several internal audits and reviews were also undertaken during the year to enhance compliance and improve efficiency.

External audits 2012–13:

Department of Local Government – Compliance Audit 2012–13

The agency Compliance Audit found transaction testing and Accounting and Property Manual deficiencies and the need for increased registers, monitoring and exception reporting in some areas. The agency is addressing all issues identified.

Internal audits in 2012–13

Procurement Tiers 1-6 – Internal Audit

The Procurement Audit found insufficient focus placed on planning, documentation and compliance monitoring. The agency is responding to the issues.

Systems and User Access Internal Audit

The Systems and User Access Internal Audit found some access, information management and reporting issues and opportunities for increased efficiency and strategic management. The agency is responding to the issues.

RISK MANAGEMENT

The establishment of the Risk and Audit Committee in 2012 was the first step in developing a risk management culture across the department that actively identifies risk and implements appropriate mitigation strategies. Risk management is encouraged throughout the business and project planning processes and by the Work Health and Safety Steering Committee.

INSURANCE

The Northern Territory Government has a self-insurance policy, and, in accordance with that policy, the department does not insure risks.

FINANCIAL INTEGRITY

The department's financial management practices are in line with the *Northern Territory Financial Management Act*, Treasurer's Directions, *Procurement Act* and *Contract Act*. Policies and Procedures, including the Accounting and Property Manual and financial delegations, are available to all employees and are subject to regular review. The department's financial results are disclosed in the Financial Report (page 40).

DELEGATIONS

The department's Finance, Procurement and Contract and Human Resourcing delegations were established in 2012 to guide employees at all levels on their decision-making responsibilities and authority. The delegations structure is designed to promote efficiency and be responsive to organisation changes.

MINI-BUDGET PERFORMANCE

The department's performance levels are measured and assessed against estimates published for each Output in the Budget Paper No.3.

In September 2012, the Local Government and Animal Welfare Output Groups from the former Department of Housing, Local Government and Regional Services were brought together under the Department of Local Government.

LOCAL GOVERNMENT

	2009–10 Actual	2010–11 Actual	2011–12 Actual	2012–13 Mini- Budget	2012–13 Actual	2013–14 Budget
Local government grants ^{1, 2}	\$64.45M	\$57.9M	\$75.8M	53.0M	68.7M	\$74.4M
Local government key stakeholder forums working towards strengthening council governance and service delivery ³		12	11	12	16	12

1. The increase between 2012–13 Mini Budget and 2012–13 Actual mainly reflects the payment of the Natural Disaster Relief and Recovery Arrangements (NDRRA) and the prepayment of a portion of the Financial Assistance grants.
2. The increase between 2012–13 and 2013–14 mainly reflects a \$5 million increase from 2013–14 in the Northern Territory Operational Subsidy grants pool and two quarters of 2012–13 Financial Assistance grants paid in 2011–12 to align to the revised timing of Australian Government funding.
3. Forums comprise meetings of the Local Government Accounting Advisory Committee, Local Government (Administration and Legislation) Advisory Committee and the Regional Governance Working Group.

ANIMAL WELFARE

	2009–10 Actual	2010–11 Actual	2011–12 Actual	2012–13 Mini- Budget	2012–13 Actual	2013–14 Budget
Complaints responded to within three days	95.2%	94%	99%	90%	98%	90%
Animal Welfare funds granted		\$0.2M	\$0.2M	\$0.2M	\$0.2M	\$0.2M

CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for the Department of Local Government have been prepared from proper accounts and records in accordance with the prescribed format in 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 2013 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.



ALLAN MCGILL
Chief Executive
30 August 2013



KEN TINKHAM
Chief Financial Officer
30 August 2013

FINANCIAL OVERVIEW

For the year ended 30 June 2013

The Department of Local Government was created as a result of the Administrative Arrangements Orders introduced by the Northern Territory Government on 4 September 2012. In accordance with the requirements of Section 21 of the *Financial Management Act*, this takes retrospective effect for accounting purposes to 1 July 2012. The former Department of Housing, Local Government and Regional Services was split into three newly created departments, including the Department of Local Government. Consequently, the accompanying 2013 financial statements do not have comparatives for 2012.

The operations of the department for the year resulted in a Net Surplus of \$246 000. The inclusion of a \$1.8 million increase in the value of land controlled by the department resulted in a Comprehensive Result of \$2.05 million for the year.

Total Income for the year was \$77.6 million, with \$44.7 million derived from appropriations, and a further \$31.3 million from Grants and Subsidies. These items account for 98% of the income received for the year.

Sales of Goods and Services of \$1.4 million relates to the collection of rates in regard to properties in the Darwin area that are not currently within the rating areas of local government bodies.

Total Expenses of \$77.4 million consists mainly of the payment of \$69 million in grants to Local Government bodies. Key current grants are:

- Financial Assistance Grants from the Australian Government of \$31.3 million
- Northern Territory operational subsidies of \$20.5 million
- Northern Territory Needs Based Special Grants of \$3.1 million
- Indigenous Employment Package grants of \$10 million including, \$8.4 million funded by the Northern Territory Government and \$1.6 million funded by the Australian Government.

The department has \$13 million in Total Assets, offset by \$4.2 million in Total Liabilities to give \$8.8 million in Net Assets.

COMPREHENSIVE OPERATING STATEMENT

For the year ended 30 June 2013

	Note	2013 \$'000
INCOME		
<i>Grants and subsidies revenue</i>		
Current		31 329
<i>Appropriation</i>		
Output		44 669
Commonwealth		50
Sales of goods and services		1 404
Goods and services received free of charge	4	133
Other income		14
TOTAL INCOME	3	77 599
EXPENSES		
Employee expenses		5 196
<i>Administrative expenses</i>		
Purchases of goods and services	5	2 940
Other administrative expenses		161
<i>Grants and subsidies expenses</i>		
Current		68 681
Capital		375
TOTAL EXPENSES	3	77 353
NET SURPLUS/(DEFICIT)		246
<i>Other Comprehensive Income</i>		
Other Comprehensive Income		-
Asset Revaluation Reserve	11	1 805
TOTAL OTHER COMPREHENSIVE INCOME		1 805
COMPREHENSIVE RESULT		2 051

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

BALANCE SHEET

As at 30 June 2013

	Note	2013 \$'000
ASSETS		
Current Assets		
Cash and deposits	6	8 373
Receivables	7	60
Advances and investments		1 000
Total Current Assets		9 433
Non-Current Assets		
Property, plant and equipment	8	3 599
Total Non-Current Assets		3 599
TOTAL ASSETS		13 032
LIABILITIES		
Current Liabilities		
Deposits held	17	3 243
Payable	9	206
Provisions	10	534
Total Current Liabilities		3 983
Non-Current Liabilities		
Provisions	10	237
Total Non-Current Liabilities		237
TOTAL LIABILITIES		4 220
NET ASSETS		8 812
EQUITY		
Capital		6 761
Asset Revaluation Reserve - Land	11	1 805
Accumulated funds		246
TOTAL EQUITY		8 812

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 2013

		Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
2012–13	Note	\$'000	\$'000	\$'000	\$'000
Accumulated Funds		-	246	-	246
<i>Reserves</i>					
Asset Revaluation	11	-	1 805	-	1 805
<i>Capital - Transactions with Owners</i>					
Equity injections		-	-	-	-
Equity transfers in		-	-	2 794	2 794
Other equity injections		-	-	3 967	3 967
TOTAL EQUITY AT END OF FINANCIAL YEAR		-	2 051	6 761	8 812

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 2013

	Note	2013 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Receipts		
<i>Grants and subsidies received</i>		
Current		31 329
<i>Appropriation</i>		
Output		44 669
Commonwealth		50
Receipts from sales of goods and services		1 427
Total Operating Receipts		77 475
Operating Payments		
Payments to employees		(4 304)
Payments for goods and services		(2 952)
<i>Grants and subsidies paid</i>		
Current		(68 681)
Capital		(375)
Total Operating Payments		(76 312)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	12	1 163
CASH FLOWS FROM FINANCING ACTIVITIES		
Financing Receipts		
Deposits received		3 243
<i>Equity injections</i>		
Other equity injections		3 967
Total Financing Receipts		7 210
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		7 210
NET INCREASE/(DECREASE) IN CASH HELD		8 373
Cash at beginning of financial year		-
CASH AT END OF FINANCIAL YEAR	6	8 373

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

NOTES TO THE FINANCIAL STATEMENTS

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NOTE

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1. OBJECTIVES AND FUNDING

The Department of Local Government is responsible for the development and regulation of local government in the Northern Territory and enforcement and administration of the *Animal Welfare Act*.

Services provided by the department help improve local government performance and sustainability.

Additional information in relation to the Department of Local Government 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.

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 intra-agency 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 Standards and Interpretations and their impacts are: **AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1 5 7 101 112 120 121 132 133 134 1039 & 1049]**

The amendments, as reflected on the comprehensive operating statement, require entities to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF ACCOUNTING

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 to prepare financial statements for the year ended 30 June in the form determined by the Treasurer. The form of agency financial statements is to include a:

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

B) AUSTRALIAN ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of the financial statements, the following Standards and Interpretations were in issue but not yet effective.

Standard/Interpretation	Summary	Effective for annual reporting periods beginning on or after	Impact on financial statements
AASB 9 Financial Instruments (Dec 2010) AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (Dec 2010) [AASB 1 3 4 5 7 101 102 108 112 118 120 121 127 128 131 132 136 137 139 1023 & 1038 and Interpretations 2 5 10 12 19 & 127] AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9 2009-11 2010-7 2011-7 & 2011-8]	AASB 9 incorporates revised requirements for the classification and measurement of financial instruments resulting from the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	1 Jan 2015	Not expected to have a material impact on future reporting periods
AASB 10 Consolidated Financial Statements AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1 2 3 5 7 101 107 112 118 121 124 132 133 136 138 139 1023 & 1038 and Interpretations 5 9 16 & 17] AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1 5 7 8 10 11 12 13 101 102 108 112 118 119 127 128 132 133 134 137 1023 1038 1039 1049 & 2011-7 and Interpretation 12]	Requires a parent to present consolidated financial statements as those of a single economic entity replacing the requirements previously contained in AASB 127 Consolidated and Separate Financial Statements. AASB 2012-10 defers the mandatory application of AASB 10 Consolidated Financial Statements and related Standards to not-for-profit entities until annual reporting periods beginning on or after 1 January 2014.	1 Jan 2013	Not expected to have a material impact on future reporting periods
AASB 12 Disclosure of Interests in Other Entities	Requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of and risks associated with interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.	1 Jan 2013	Not expected to have a material impact on future reporting periods
AASB 13 Fair Value Measurement AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1 2 3 4 5 7 9 2009-11 2010 7 101 102 108 110 116 117 118 119 120 121 128 131 132 133 134 136 138 139 140 141 1004 1023 & 1038 and Interpretations 2 4 12 13 14 17 19 131 & 132]	Replaces the guidance on fair value measurement in existing AASB accounting literature with a single standard. The Standard defines fair value, provides guidance on how to determine fair value and requires disclosures about fair value measurements.	1 Jan 2013	Not expected to have a material impact on future reporting periods
AASB 119 Employee Benefits (2011) AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (2011) [AASB 1 8 101 124 134 1049 & 2011-8 and Interpretation 14]	Changes the definition of short-term employee benefits and the measurement and recognition of defined benefit superannuation obligations.	1 Jan 2013	Not expected to have a material impact on future reporting periods
AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 7)	Amends AASB 7 Financial Instruments: Disclosures to require an entity to disclose information about rights of offset and related arrangements for financial instruments under an enforceable master netting agreement or similar arrangement.	1 Jan 2013	Not expected to have a material impact on future reporting periods
AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities (Amendments to AASB 132)	Addresses inconsistencies in current practice when applying the offsetting criteria in AASB 132 Financial Instruments: Presentation.	1 Jan 2014	Not expected to have a material impact on future reporting periods
AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1 101 116 132 & 134 and Interpretation 2]	Amends a number of pronouncements as a result of the 2009–2011 annual improvements cycle. Amendments include clarification of the requirements for comparative information in AASB 101 Presentation of Financial Statements and classification of servicing equipment in AASB 116 Property, Plant and Equipment.	1 Jan 2013	Not expected to have a material impact on future reporting periods

C) AGENCY AND TERRITORY ITEMS

The financial statements of the Department of Local Government include income, expenses, assets, liabilities and equity over which the Department of Local Government 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. The Department of Local Government does not collect any Territory items on behalf of the Central Holding Authority.

D) COMPARATIVES

There are no comparatives for the Department of Local Government as the department was created as at 1 July 2012.

E) 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.

F) CHANGES IN ACCOUNTING POLICIES

There have been no changes to accounting policies adopted in 2012–13 as a result of management decisions.

G) ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial report requires the making of judgements 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. Those results form the basis for making judgements 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.

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

- Employee Benefits – Note 2(r) and Note 10: 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.
- Contingent Liabilities – Note 15: The present value of material quantifiable contingent liabilities are calculated using a discount rate based on the published 10-year government bond rate.
- Allowance for Impairment Losses – Note 2(o), 7: Receivables and 13: Financial Instruments.

H) 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.

I) 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 Inter-governmental Agreement on Federal Financial Relations resulting in Special 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 on passed 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
- 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
- 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.

CONTRIBUTIONS OF ASSETS

Contributions of assets and contributions to assist in the acquisition of assets (being non reciprocal 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.

J) REPAIRS AND MAINTENANCE EXPENSE

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

K) INTEREST EXPENSE

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

L) 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 17.

M) 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 ageing schedule under credit risk in Note 13: Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

All receivables are generally settled within 30 days.

N) 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.

O) 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

Fair value is the amount for which an asset could be exchanged or liability settled between knowledgeable willing parties in an arm's length transaction.

IMPAIRMENT OF ASSETS

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

Non-current physical and intangible agency assets are assessed for indicators of impairment on an annual basis. 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 11 provides additional information in relation to the asset revaluation surplus.

P) 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.

Q) 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.

R) 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 12 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 12 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
- 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 as such no long service leave liability is recognised in agency financial statements.

S) 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.

T) 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.

U) COMMITMENTS

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

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

For the year ended 30 June 2013

		ANIMAL WELFARE	LOCAL GOVERNMENT	TOTAL
	Note	2013 \$'000	2013 \$'000	2013 \$'000
INCOME				
<i>Grants and subsidies revenue</i>				
Current		-	31 329	31 329
<i>Appropriation</i>				
Output		1 246	43 423	44 669
Commonwealth		-	50	50
Sales of goods and services		1	1 403	1 404
Goods and services received free of charge	4	4	129	133
Other income		12	2	14
TOTAL INCOME		1 263	76 336	77 599
EXPENSES				
Employee expenses		714	4 482	5 196
<i>Administrative expenses</i>				
Purchases of goods and services	5	365	2 575	2 940
Other administrative expenses		4	157	161
<i>Grants and subsidies expenses</i>				
Current		200	68 481	68 681
Capital		-	375	375
TOTAL EXPENSES		1 283	76 070	77 353
NET SURPLUS/(DEFICIT)		(20)	266	246
OTHER COMPREHENSIVE INCOME				
Asset Revaluation Reserve	11	-	1 805	1 805
TOTAL OTHER COMPREHENSIVE INCOME		-	1 805	1 805
COMPREHENSIVE RESULT		(20)	2 071	2 051

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

4. GOODS AND SERVICES RECEIVED FREE OF CHARGE

	2013 \$'000
Department of Corporate and Information Services	133
TOTAL GOODS AND SERVICES RECEIVED FREE OF CHARGE	133

5. PURCHASES OF GOODS AND SERVICES

	2013 \$'000
The net surplus/(deficit) has been arrived at after charging the following expenses:	
<i>Goods and services expenses:</i>	
Consultants	160
Advertising	1
Marketing and promotion	84
Document production	11
Legal expenses	230
Recruitment	14
Training and study	22
Official duty fares	214
Travelling allowance	65
Agent services arrangements	1074
Motor vehicle experiences	278
Goods and services free of charge	133
Other operational expenses	654
TOTAL GOODS AND SERVICES EXPENSES	2 940

6. CASH AND DEPOSITS

	2013 \$'000
Cash on hand	1
Cash at bank	8 372
TOTAL CASH AND DEPOSITS	8 373

7. RECEIVABLES

	2013 \$'000
<i>Current</i>	
Accounts receivable	56
Less: Allowance for impairment losses	(32)
<i>Net accounts receivables</i>	<i>24</i>
GST receivables	36
TOTAL RECEIVABLES	60

8. PROPERTY, PLANT AND EQUIPMENT

	2013 \$'000
Land	
At fair value	3 599
TOTAL PROPERTY, PLANT AND EQUIPMENT	3 599

2013 PROPERTY, PLANT AND EQUIPMENT RECONCILIATIONS

A reconciliation of the carrying amount of property plant and equipment at the beginning and end of 2012–13 is set out below:

	Land \$'000	2013 \$'000
Carrying amount as at 1 July 2012	-	-
Additions/(Disposals) from asset transfers	1 794	1 794
Revaluation increments /(decrements)	1 805	1 805
CARRYING AMOUNT AS AT 30 JUNE 2013	3 599	3 599

9. PAYABLES

	2013 \$'000
Accounts payable	76
Accrued expenses	130
TOTAL PAYABLES	206

10. PROVISIONS

	2013 \$'000
Current	
<i>Employee benefits</i>	
Recreation leave	360
Leave loading	49
Other employee benefits	26
<i>Other current provisions</i>	
Payroll Tax	44
Fringe Benefits Tax	10
Superannuation	45
Total current provisions	534
Non-Current	
<i>Employee benefits</i>	
Recreation leave	237
Total non-current provisions	237
TOTAL PROVISIONS	771

11. RESERVES

ASSET REVALUATION SURPLUS

(i) *Nature and purpose of the asset revaluation surplus*

The asset revaluation surplus includes the net revaluation increments and decrements arising from the revaluation of non-current land. Impairment adjustments may also be recognised in the Land Revaluation Surplus.

(ii) *Movements in the asset revaluation surplus*

	2013 \$'000
Balance as at 1 July 2012	-
Increment/ (Decrement) – land	1 805
BALANCE AS AT 30 JUNE 2013	1 805

12. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF CASH

The total of agency 'Cash and deposits' of \$8373 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

	2013 \$'000
Net surplus/(deficit)	246
<i>Changes in assets and liabilities:</i>	
Decrease/(Increase) in receivables	(60)
(Decrease)/Increase in payables	206
(Decrease)/Increase in provision for employee benefits	673
(Decrease)/Increase in other provisions	98
NET CASH FROM OPERATING ACTIVITIES	1 163

13. 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 of Local Government include cash and deposits receivables, payables and finance leases. The Department of Local Government has limited exposure to financial risks as discussed below.

A) CATEGORISATION OF FINANCIAL INSTRUMENTS

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

	2013 \$'000
<i>Financial Assets</i>	
Cash and deposits	8 373
Receivables	60
Advances	1 000
<i>Financial Liabilities</i>	
Deposits held - trust	3 243
Payables	206
Provisions	771

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 ageing analysis of receivables is presented below.

2012–13	Ageing of Receivables \$'000	Ageing of Impaired Receivables \$'000	Net Receivables \$'000
Internal Receivables			
Not overdue	24	-	24
TOTAL	24	-	24

External Receivables			
Not overdue	36	-	36
Overdue for more than 60 days	32	32	-
TOTAL	68	32	36

RECONCILIATION OF THE ALLOWANCE FOR IMPAIRMENT LOSSES

Increase/(Decrease) in allowance recognised in profit or loss	-	32	-
TOTAL	-	32	-

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 risk is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following table details the agency's remaining contractual maturity for its financial assets and liabilities. It should be noted that these values are undiscounted, and consequently, totals may not reconcile to the carrying amounts presented in the Balance Sheet.

2013 Maturity analysis for financial assets and liabilities	Interest Bearing				Non Interest Bearing \$'000	Total \$'000
	Fixed or Variable	Less than a Year \$'000	1 to 5 Years \$'000	More than 5 Years \$'000		
ASSETS						
Cash and deposits	-	-	-	-	8 373	8 373
Receivables	-	-	-	-	60	60
Advances	-	-	-	-	1 000	1 000
TOTAL FINANCIAL ASSETS	-	-	-	-	9 433	9 433
LIABILITIES						
Deposits held - trust	-	-	-	-	3 243	3 243
Payables	-	-	-	-	206	206
Provisions	-	-	-	-	771	771
TOTAL FINANCIAL LIABILITIES	-	-	-	-	4 220	4 220

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.

INTEREST RATE RISK

The Department of Local Government is not exposed to interest rate risk as agency financial assets and financial liabilities are non-interest bearing. Therefore, a market sensitivity analysis is not required.

PRICE RISK

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

CURRENCY RISK

The Department of Local Government 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 estimated using various methods. These methods are classified into the following levels:

Level 1 – derived from quoted prices in active markets for identical assets or liabilities.

Level 2 – derived from inputs other than quoted prices that are observable directly or indirectly.

Level 3 – derived from inputs not based on observable market data.

2013	Total Carrying Amount \$'000	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Net Fair Value Total \$'000
FINANCIAL ASSETS					
Cash and deposits	8 373	8 373	-	-	8 373
Receivables	60	60	-	-	60
Advances and investments	1 000	1 000	-	-	1 000
TOTAL FINANCIAL ASSETS	9 433	9 433	-	-	9 433
FINANCIAL LIABILITIES					
Deposits held	3 243	3 243	-	-	3 243
Payables	206	206	-	-	206
Provisions	771	771	-	-	771
TOTAL FINANCIAL LIABILITIES	4 220	4 220	-	-	4 220

14. COMMITMENTS

The Department of Local Government had no commitments as at 30 June 2013.

15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Department of Local Government had no contingent liabilities or contingent assets as at 30 June 2013.

16. EVENTS SUBSEQUENT TO BALANCE DATE

No events have arisen between the end of the financial year and the date of this report that require adjustment to or disclosure in these financial statements.

17. 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	Transferred from Dept. of Housing	Receipts	Payments	Closing Balance 30 June 2013
Jabiru Town Development Authority	3 311	62	(130)	3 243
TOTAL ACCOUNTABLE OFFICER'S TRUST ACCOUNT	3 311	62	(130)	3 243

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

The Department of Local Government had no write-offs, postponements, waivers, gifts and ex-gratia payments during the 2012–13 financial year.

APPENDICES

DEPARTMENT BOARDS, COMMITTEES AND WORKING GROUPS

REGIONAL GOVERNANCE WORKING GROUP

The Regional Governance Working Group provides advice on the future of local government arrangements for regional and remote Northern Territory.

MEMBERS

- Damien Ryan (Chair), President of the Local Government Association of the Northern Territory (LGANT) and Mayor of Alice Springs Town Council
- Marie Ellis, Amoonguna
- Alison Hunt, Mutitjulu
- Gibson Farmer, Tiwi Land Council
- Luke Bowen, NT Cattlemen's Association
- Hon Fred Chaney, Desert Knowledge Australia
- Norbert Patrick, Lajamanu
- Drew Wagner, Minerals Council NT
- Sam Bush-Blanas, Northern Land Council
- Tobias Nganbe, Wadeye
- Matthew Ryan, Maningrida
- Tony Wurramarrba, Anindilyakwa Land Council
- Samuel Evans, Borroloola
- Lionel Jaragba, Anindilyakwa Land Council
- Bobby Wunungmurra, Gapuwiyak
- Banduk Marika, Yirrkala
- Lindsay Bookie, Central Land Council
- Nelson Hall, Ngukurr

- Bobby Nunggumajbarr, Ngukurr
- Harold Wilson, Nganmarriyanga
- Barbara Shaw, Barkly Shire Council.

ANIMAL WELFARE ADVISORY COMMITTEE

The Animal Welfare Advisory Committee provides advice to the Minister for Local Government on animal welfare matters. Representatives from a wide range of stakeholder groups, including the RSPCA, local government, relevant associations and community groups.

MEMBERSHIP AS AT 30 JUNE 2013

- Stephen Cutter, Ark Animal Hospital (Chair)
- Stephanie Hawkins, RSPCA
- Alexandra Hesford, Australian Veterinary Association
- Rebecca Want de Rowe, Local Government Association of the Northern Territory (LGANT)
- Peter Phillips, Department of Local Government
- Richard Morton, Department of Primary Industry and Fisheries
- Luke Bowen, Northern Territory Cattlemen's Association
- Keith Christian, Charles Darwin University
- Kristen Appel, Parks and Wildlife Commission of the Northern Territory
- Scott Anderson, Pet Industry Association of Australia
- Julia Hardaker, Animal Management in Rural and Remote Indigenous Communities (AMRRIC).

COUNTER DISASTER ANIMAL WELFARE ADVISORY COMMITTEE

Convened in an emergency situation, the Counter Disaster Animal Welfare Committee was established to provide specialist advice to the Territory Counter Disaster Controller on animal welfare issues and animal management during emergencies, such as a cyclone.

MEMBERSHIP AS AT 30 JUNE 2013

- Animal Welfare Branch
- Department of Primary Industry and Fisheries
- City of Darwin
- Charles Darwin University
- Animal Management in Remote and Rural Indigenous Communities
- City of Palmerston.

GRANTS PROGRAM

The Department of Local Government provides grants funding assistance to eligible organisations, community groups and individuals through a number of funding programs.

LOCAL GOVERNMENT GRANTS PROGRAMS

NORTHERN TERRITORY OPERATIONAL SUBSIDY

The Northern Territory Operational Subsidy funding for 2012–13 totalled \$20 469 098. It is the main support offered to councils by the Northern Territory Government to assist with the provision of local government services.

Grant recipients in 2012–13

Organisation	Grant funding
Tiwi Islands Shire Council	\$1 102 776
Belyuen Community Government Council	\$82 225
Coomalie Community Government Council	\$420 850
Wagait Shire Council	\$112 512
West Arnhem Shire Council	\$2 187 415
East Arnhem Shire Council	\$4 065 738
Victoria Daly Shire Council	\$2 602 550
Roper Gulf Shire Council	\$2 760 954
Barkly Shire Council	\$2 606 650
Central Desert Shire Council	\$1 893 687
MacDonnell Shire Council	\$2 633 741
	\$20 469 098

RESERVES AND OTHER ORGANISATIONS

These grants are provided to organisations that provide local government-type services for the benefit of the community. Total grants allocated for 2012–13 was \$591 918.

Grant recipients in 2012–13

Organisation	Brief description	Grant funding
Katherine Town Council	Operational funding for the provision of local government services to the Binjari community	\$207 648
Blatherskite Park Reserve	Operational funding	\$145 000
Daly Waters Progress Association	Operational funding for services to Daly Waters	\$8 963
Jabiru Town Development Authority	Operational funding	\$31 385
Roper Gulf Shire Council	Operational funding for services to Larrimah	\$8 922
Robbie Robins Reserve	Operational funding	\$75 000
Yilli Rreung Housing Aboriginal Corporation	Operational funding for the provision of local government services to the Bagot community	\$100 000
		\$591 918

SPECIAL PURPOSE GRANT

The pool for needs-based grants in 2012–13 totalled \$3 448 928. Funding is for specific purposes related to the needs of individual local government bodies. The focus of needs-based funding has been in the areas of training, recreation facilities, plant and equipment, social infrastructure and building (construction/renovations).

Grant recipients in 2012–13

Organisation	Brief description	Grant funding
Alice Springs Town Council	Final instalment to supplement the Regional Development Fund grant with the construction of a regional waste management centre in Alice Springs	\$375 000
Litchfield Council	To upgrade the Livingstone Recreation Reserve hall rear veranda (approved 2011–12)	\$80 695
Coomalie Community Government Council	Supplement the difference in NT Operational Subsidy for 2010–11 compared to 2012–13	\$107 919
Alyawarr Ingkerr-wenh Aboriginal Corporation	To refine a workable model for new local government in the Alyawarr region	\$50 000
Coomalie Community Government Council	Upgrade the Batchelor public swimming pool	\$50 000
NT Grants Commission	To assist with the cost of hosting the National Conference of Grants Commissions to be held in Alice Springs in October 2013	\$10 000
Coomalie Community Government Council	Model to review the financial implications of extending the Coomalie Shire boundary	\$10 000
Coomalie Community Government Council	Construction of footpaths in Adelaide River township	247 500
City of Palmerston	To engage an engineer to carry out a condition audit on the city's existing aquatic centre	\$35 336
City of Palmerston	To build a community garden in Confalonieri Park	\$20 000
City of Darwin on behalf of Top End Regional Organisations Of Councils (TOPROC)	A governance plan for a future regional waste management facility that will include identifying establishment costs, operational costs and management costs for the facility	\$120 000
Litchfield Council	To fund the Thorak regional cemetery master plan	\$80 000
Litchfield Council	To purchase and install recycling waste oil storage units for the three waste transfer stations in the Litchfield Council	\$60 000
Tiwi Islands Shire Council	Purchase and installation of two 12 000 litre bunded fuel tanks with their own bowsers and electronic dispensers at Milikapiti	\$171 146
Belyuen Community Government Council	To pour a cement slab and purchase and install a four-post hoist under the council workshop veranda area	\$35 698
Belyuen Community Government Council	Landscaping of area around community hall including the installation of outside taps, trees, flower beds and signage	\$27 574

Organisation	Brief description	Grant funding
East Arnhem Shire Council	To upgrade the current cemetery facilities in seven Indigenous communities and construct one new cemetery site	\$250 000
West Arnhem Shire Council	To purchase a tractor and slasher for the Gunbalanya community	\$49 418
West Arnhem Shire Council	To purchase two John Deere mowers, one for the Minjilang community and one for the Waruwi community	\$38 455
West Arnhem Shire Council	To purchase a rubbish compactor for the Gunbalanya community	\$253 436
Barkly Shire Council	To purchase and install covered playgrounds in both Ampilatwatja and Arlparra	\$130 381
Barkly Shire Council	To remove and replace electronic equipment in the Tennant Creek Civic Hall and a full upgrade of both stage floors and rails	\$76 591
Central Desert Shire Council	To construct a two-bedroom house for resident shire staff at Engawala	\$160 000
Central Desert Shire Council	To purchase two second-hand replacement backhoes	\$110 000
Central Desert Shire Council	To enable the removal of car bodies from the Lajamanu community to the upgraded landfill	\$30 000
Victoria Daly Shire Council	To upgrade Palumpa community playground through purchasing and installing solar lighting, a shade structure and resurfacing the playground area	\$86 910
Victoria Daly Shire Council	To purchase a Komatsu backhoe loader to be based in Yarlin and Pigeon Hole	\$134 531
Roper Gulf Shire Council	To install street lighting for walkways and black spots in five communities	\$240 830
MacDonnell Shire Council	To purchase two rear-loading five cubic metre refuse compactor trucks	\$282 108
MacDonnell Shire Council	Upgrade Petering Park, Papunya and Eastside park at Santa Teresa by installing playground equipment, shade structures and seating	\$110 000
Blatherskite Park Trustees	To undertake general repairs and upgrades at Blatherskite Park	\$25 400
Yilli Rreung Housing Aboriginal Corporation	Operational funding for the provision of local government services to the Bagot community	\$100 000
		\$3 448 928

FAMILY SAFE ENVIRONMENT FUND

The Family Safe Environment Fund commenced in January 2013. The program funding pool is \$250 000 per annum over the next four years and will cease in 2015–16.

The primary aim of the program is to provide a safe environment for park users and nearby residents through the reduction of incidences of antisocial behaviour, wilful vandalism and graffiti. This will be achieved by providing funding for initiatives such as:

- improved park layout
- installation of CCTV cameras
- installation of additional lighting
- improving entrances, exits and signage.

Grant recipients in 2012–13

Organisation	Brief description	Grant funding
Belyuen Community Government Council	To purchase and install bollards, including solar powered bollards, in park areas within the community	\$35 148
Tiwi Islands Shire Council	Installation of four mounted, motion-activated LED security lights around the outside of the swimming pool	\$30 791
Central Desert Shire Council	To finalise the recently installed playground at Atitjere. Includes fencing, lighting and signage	\$13 217
Katherine Town Council	Various electrical works at the Katherine Hot Springs, including fabricated power poles, control boards, CCTV units, DVR System, underground cabling and floodlighting	\$40 000
Victoria Daly Shire Council	To install LED streetlights in the community of Wadeye	\$36 364
Barkly Shire Council	Supply and install security lighting to three public parks in Tennant Creek	\$49 140
Litchfield Council	Various CCTV, lighting, signage and fencing for three of the council reserves	\$45 340
		\$250 000

INDIGENOUS EMPLOYMENT PACKAGE

The Indigenous Employment Package is part of a \$30 million, three-year commitment to support core local government services delivery and local employment opportunities. In 2012-13, three grants totalling \$9.6 million were allocated to shire councils.

Grant recipients in 2012-13

Organisation	Indigenous Workforce Matching Grant	Mentoring Program Grant (Australian Government funded)	Local Area Traffic Management Grant	Overall total
Barkly Shire Council	\$845 533	\$122 000	-	\$967 533
Belyuen Community Government Council	\$12 207	-	-	\$12 207
Central Desert Shire Council	\$559 041	\$183 000	-	\$742 041
East Arnhem Shire Council	\$976 677	\$305 000	\$120 000	\$1 401 677
MacDonnell Shire Council	\$1 365 113	\$244 000	\$40 000	\$1 649 113
Roper Gulf Shire Council	\$1 603 049	\$244 000	\$60 000	\$1 907 049
Tiwi Islands Shire Council	\$552 883	\$122 000	\$20 000	\$694 883
Victoria Daly Shire Council	\$1 564 938	\$258 000	\$40 000	\$1 862 938
West Arnhem Shire Council	\$718 591	\$122 000	-	\$840 591
TOTAL	\$8 198 031	\$1 600 000	\$280 000	\$10 078 031

ANIMAL WELFARE FUND

Grant funding of \$200 000 is available for eligible non-profit animal welfare organisations for projects that aim to improve animal wellbeing, raise community awareness of responsibilities about animal welfare and help progress good animal management practices, including in remote communities.

Grant recipients in 2012–13

Organisation	Brief description	Grant funding
Marthakal Homeland Health Services	Development of Marthakal animal health and welfare program	\$29 769
Anindilyakwa Land Council	To assist in the development of the Groote Eylandt animal health and welfare program	\$33 784
Wildcare NT	Emergency packs to assist injured animals	\$9 351
Animal Management in Remote and Indigenous Areas	'Living with camp dogs – staying safe' DVD	\$37 700
Animal Management in Remote and Indigenous Areas	Education strategy for dog health and welfare in Indigenous communities	\$44 898
NT Cattlemen's Association	Education DVD 'Don't rattle the cattle', focussing on animal welfare in the pastoral industry	\$44 498
		\$200 000

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Under the *Public Sector Employment and Management Act*, Employment Instructions provide direction to agencies on human resource management matters. Each instruction specifies required reporting in department annual reports. The department's performance against Employment Instructions is indexed below.

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ABBREVIATIONS AND ACRONYMS

Acronym	Unabbreviated
AASB	Australian Accounting Standards Board
AELERT	Australasian Environmental Law Enforcement and Regulators Network
AOTA	Accountable Officer's Trust Account
ATO	Australian Tax Office
CSS	Commonwealth Superannuation Scheme
GST	Goods and Services Tax
LGANT	Local Government Association of the Northern Territory
NDRRA	Natural Disaster Relief and Recovery Arrangements
NP	National Partnership
NTGPASS	Northern Territory Government and Public Authorities Superannuation Scheme
RSPCA	Royal Society for the Prevention of Cruelty to Animals
SIHIP	Strategic Indigenous Housing and Infrastructure Program
SPP	Special Purpose Payments
WSPA	World Society for the Protection of Animals

