



LITCHFIELD
COUNCIL



Community effort is essential

Municipal Plan

2016-2017

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+ Mayor's Opening

Welcome to the first Municipal Plan for this term of Council, elected in November 2015.

The Councillors and I are pleased to release the Draft Municipal Plan 2016/2017, including the Annual Budget, to the community for comment and public submissions. This Municipal Plan delivers on Council's Vision for the Litchfield Municipality to be the best place to live in the Top End by focussing on our four priority areas:



An Effective and Sustainable Council

Over the coming year, we want to start some conversations - bring people together to listen to community sentiment - to understand your priorities better and gain insight into the challenges Litchfield residents face. We already know that our community expects Council to be financially responsible and to grow external revenue. We are concentrating on minimising our costs and identifying savings without impacting on the quality of services we currently deliver.

In 2016/2017 Council intends to step up its advocacy activities. Our Strategic Plan provides an overview of what areas we consider important to have a say on. We may not have direct responsibility for a whole range of services but we can influence outcomes to ensure that Litchfield is the best place to live.

Council continues to strengthen its governance and risk management processes as we concentrate on ensuring we are ethical, transparent, fair, impartial and accountable.



Mayor Maree Bredhauer



Our Mayor and Councillors (L-R): Doug Barden, Christine Osborn, Maree Bredhauer, Letchimi Wright, Kirsty Hunt

Key highlights in the 2016/2017 budget include:

- A balanced budget.
- A rate increase of 5.5% for residential properties.
- \$3 million from the NT Government for an infrastructure upgrade at Freds Pass Reserve.
- \$2.6 million for Road Reseals.
- \$2.2 million for Infrastructure Maintenance including stormwater drains, kerbing, culverts.
- \$40,000 for a program to reduce the impact of feral dogs on communities.
- \$160,000 to revise Council's Developer Contributions Plan to ensure the whole community benefits from growth.
- \$132,000 for Community Grants including Freds Pass Show, Southport Mira Square and Palmerston & Rural Seniors Fortnight Festival.
- \$939,000 to support the ongoing operations and maintenance of Council Recreation Reserves.
- \$50,000 to develop a 10 Year Waste Management Plan to ensure our Waste Transfer Stations continue to meet community need and as a community we reduce volume to landfill and increase recycling.
- \$81,950 to employ an additional operator at Berry Springs Waste Transfer Station to improve service.

This is a new phase for Litchfield Council - these are new frontiers. I look forward to working with our community and my fellow Elected Members to make a difference. I encourage you to read the remainder of this document, in conjunction with our new 2016-2020 Strategic Plan. As we continue to grow, the Litchfield Municipality will be the best place to live in the Top End.

+ Chief Executive's Message

When I started as Chief Executive Officer at Litchfield Council in early 2016, the first challenge was to support the new Council in developing its vision, aspirations and priorities for the future of the Municipality. This formed the basis of the 2016-2020 Strategic Plan and enabled Council to determine its priorities for action in 2016/2017 as outlined in this Municipal Plan.

We are now working to ensure that the organisation has the capacity to deliver on those priorities and aligning the functions of Council around providing excellent customer service, being financially sustainable and meeting Council's statutory and regulatory obligations.

Importantly we are focussed on promoting a positive culture of good governance and accountability as we continue to work on improving what we do and how we do it. The 2016/2017 Budget includes developing 10 year plans to ensure that we are heading in the right direction in the areas of waste management, technology and in maintaining our assets.

In 2016/2017 we will continue to work hard to attract external revenue and reduce our costs, introducing innovation where possible and engaging the community in determining solutions to the challenges it faces. We are conscious that our communities are growing fast and with it expectations and needs are changing. We are committed to working with our community to ensure the essence and beauty of Litchfield is retained as it grows.

The 2016/2017 Municipal Plan paves the way for an exciting year with many projects and programs being implemented that will shape the future of the municipality in years to come. I look forward to working with the Mayor and Councillors to achieve their vision for the Litchfield Municipality to be the best place to live in the Top End.



Kaylene Conrick, Chief Executive Officer

+ Results of Public Consideration - Submissions Review

Following a review of the public submissions received in the period 8 – 24 June 2016 regarding the Draft Municipal Plan 2016-2017, as well as several editing changes proposed by staff, the following changes have been included in this plan:

- In response to two submissions asking about the impact of the rate increase on pensioners within the municipality, Council has provided a 5% pensioner discount on 2016/2017 rates. This is separate and in addition to the Government Pensioner Concession.
- In response to a submission, a key highlight in the Mayor’s Opening has been changed to read: ‘\$3million from the NT Government for an infrastructure upgrade at Fred’s Pass Reserve.’
- Under Adequacy of Constitutional Arrangements, there is an additional paragraph that reads: ‘The constitutional arrangements will be reviewed and presented to the Minister prior to the next Council elections in 2017.’
- The Planning Program Profile has been altered as follows:
Program Description – changed to –
Review and provide commentary on all long-term regional plans, policies, development proposals and planning applications relevant to Litchfield Municipality, guided by Northern Territory and Council plans and policies and advocate for amenity for new and existing residents.
- Key Outputs – changed to –
Submissions to NT Government
Participation in NT working groups
Review and inspect development plans
- Key Performance Indicator – changed to –

Review Developer Contribution Plan within agreed timeframes	-	Completed
Issue works(new) permits	Days	<5
Review development plans	Days	<10
Respond to planning applications within required timeframes	%	>85%
- The 2nd KPI in the Mobile Work Force Program Profile has been changed to read: ‘Fire breaks and road reserves slashing of 1000kms within Council owned and managed land.’
- The KPI in the Waste Management Program Profile that reads: ‘Fire breaks and road reserves slashing of 1000kms within Council excised land.’ has been removed and the following KPI has been inserted: ‘% of green waste received that is on-sold as mulch Tonnes >80%.’
- The 5th KPI in the Regulatory Services Program Profile now reads: ‘Decrease dogs at large.’

- In response to two submissions received regarding the need to include more detail, under the Long Term Financial Plan, the following has been added:

Please note that in the LTFP, Operations includes Works, Mobile Work Force, Planning and Regulatory Services.

The Strategic Plan 2016-2020 draws on projections for growth from the Greater Darwin Land Use Plan which suggests that by 2025 the population of Litchfield will be 34,000, resulting in 500 new dwellings. Council has factored in the financial impacts of such growth in the Long Term Financial Plan by assuming rates revenue will increase by 5% per annum (excepting mining tenements and pastoral leases). There will be an opportunity to more accurately predict rate revenue growth when Council reviews its Rating Strategy.

Operational costs have been forecast to increase 5% per annum largely across the board, including employment costs, utility costs and material costs. This assumes an underlying average CPI increase of 2.5% in each year as per NT Government economic forecasts. Any exceptions are due to the impact of a decrease in Financial Assistance Grants.

Election expenses in 2017/2018 have been estimated at \$100,000 and factored into the long-term plan, as has an asset revaluation at a cost of \$60,000 which has been included in 2019/2020.

Council has yet to adopt a 10year asset management strategy. At present a draft program is reviewed prior to deliberating on each year's annual budget to determine priorities for the annual program, taking into consideration any new developments or changes in condition assessments. An amount of less than \$2m per annum for capital projects (new assets – roads, drains, bike paths etc) has been included in the plan.

Funding for Infrastructure maintenance is being maintained at \$2m-\$2.5m per annum.

Council's main community assets exist in Recreation Reserves which are managed by committees. Council will be advocating for funding to maintain, improve or develop these assets in the longer-term.

Funding for new initiatives has been set at \$250k for operational projects and \$250k for capital projects in the years 2017/2018 and beyond. New operational initiatives will be drawn from those that are proposed in Council's Strategic Plan 2016-2020. Examples include an Animal Management plan, a 10year Drainage Improvement Plan, a Tourism Action Plan and criteria for funding allocation decisions.

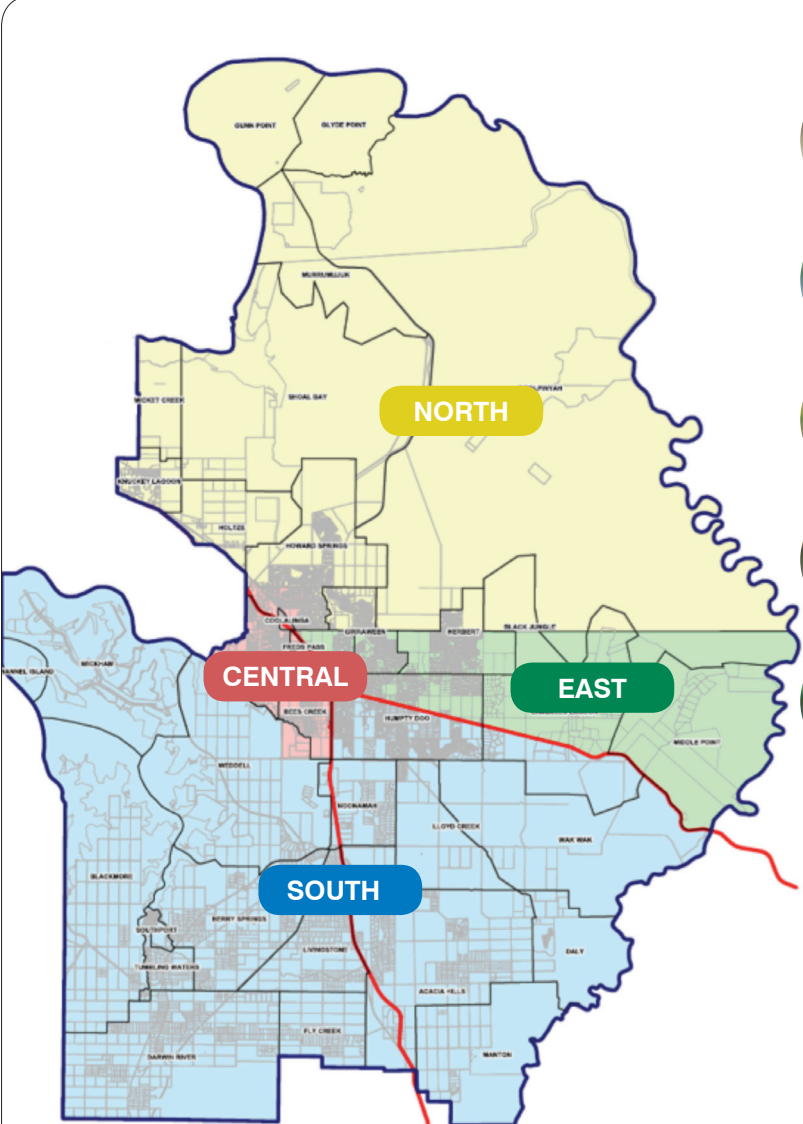
A number of partnering strategies are proposed in Council's Strategic Plan 2016-2020 for making progress towards outcomes. Examples include bike-friendly roadways/pathways, protection of flora and fauna, and mapping and promoting cultural activities in the municipality.


If Council proceeds with building a new Aquatics facility, further work will be undertaken to understand the business case, including costs and long-term financial impacts.

Council's proposed advocacy efforts are also outlined in the Strategic Plan 2016-2020.


+ Council Overview

Litchfield Council's elected body consists of the Mayor and 4 Councillors. The local government area is divided into 4 wards, each with one Councillor:







The Mayor is elected at large.
Mayor, Maree Bredhauer




NORTH WARD
 Cr Letchimi Wright



SOUTH WARD
 Deputy Mayor, Cr Doug Barden



CENTRAL WARD
 Cr Christine Osborn

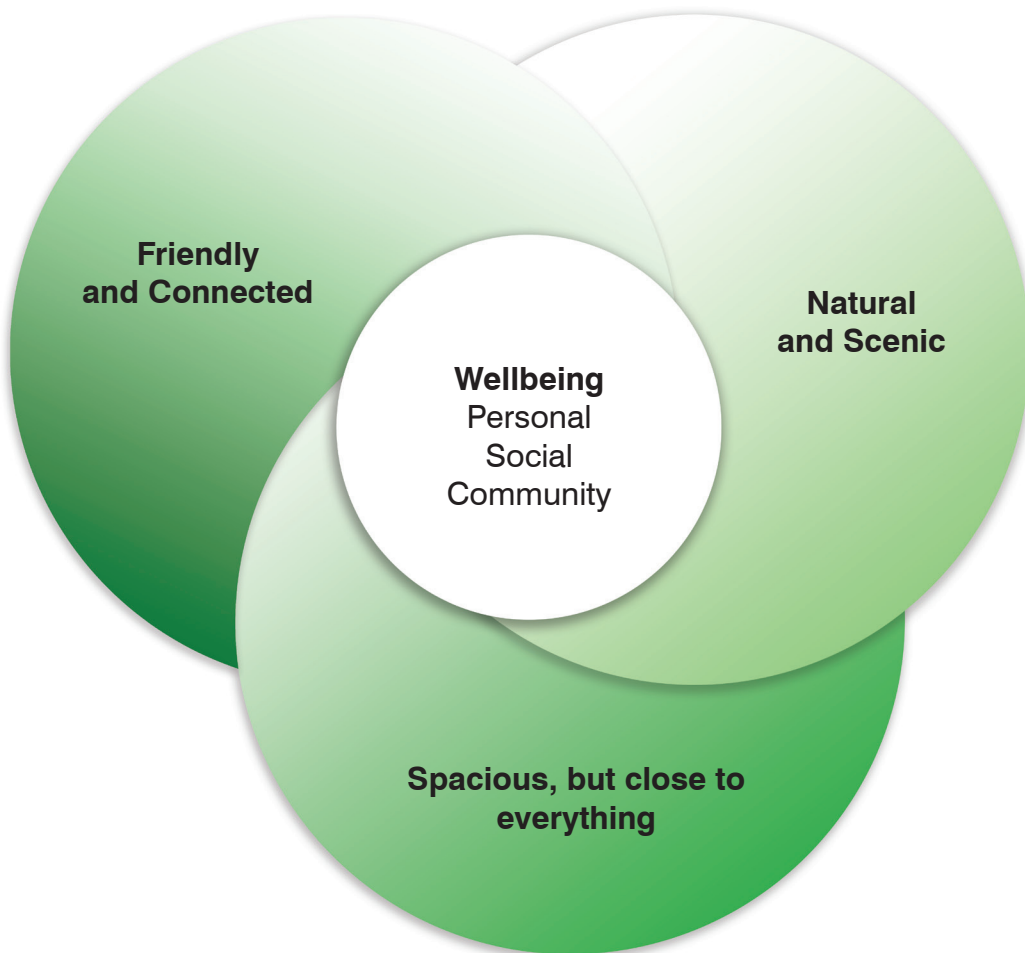


EAST WARD
 Cr Kirsty Hunt

Litchfield Council Strategic Direction

Our Vision

Our vision is for a place of person, social and community wellbeing that stem from three unique attributes which are rarely, if ever, found together:



Friendly and connected:

We are a community where it is easy to get to know people and be around them; it is ideal for family living; there are plenty of activities, and it is safe.

Natural and scenic:

We have large blocks, attractive scenic outlooks, lots of native wildlife and we take pride in places being beautiful and clean.

Spacious, but close to everything:

While we have plenty of space to grow, you can get around easily, work locally and obtain everything you need within Litchfield.

The best place to live in the Top End.

+ Strategic Priorities, Outcomes and Principles

Priority # 1: Everything you need



Roads



Waste



Water



Public Transport



Cleanliness



Drainage

Priority #2 A great place to live



Social Activity



Culture



Community



Recreation



Animal Control



Sense of Place

Priority #3 A beautiful natural environment



Protection



Open Space



Weeds



Sustainability



Fire

Priority #4 A vibrant economy



Economic Development



Local Employment



Strong Local Business



Engage our
Community



Good
Governance



Partnership
and Advocacy



Modern Service
Delivery

Plus: An effective and sustainable Council

Litchfield Council's Planning Framework



+ Municipal Plan Compliance

Complying with the Local Government Act

The Local Government Act (Part 3.2, S22) states that Litchfield Council must have a plan, called the Municipal Plan, that is to be adopted by Council before 31 July each year. Final adoption of the plan follows a minimum of 21 days where a draft of the Municipal Plan has been made available for public comment, and a further period where any public submissions are reviewed and subsequent changes made if appropriate.

This Municipal Plan must be accessible to all members of the public and contain a service delivery plan, indicators that measure Council's performance and Council's Budget. It must also refer to Council's Strategic Plan, Council's Long Term Financial Plan, and include assessments of the adequacy of current constitutional arrangements and opportunities and challenges for delivering services in the Litchfield Municipality.

The Municipal Plan must also highlight potential changes to the administrative and regulatory framework for delivering services in the area, and, whether there are any opportunities to improve the delivery of services through working with other councils, government agencies or other organisations.

Litchfield Council's Annual Budget is prepared in accordance with Part 10.5 of the Local Government Act and adopted prior to 31 July each year. The Annual Budget outlines Council's objectives for the current financial year, how Council will achieve those objectives; the indicators Council will use to assess progress on the objectives; Council estimates of capital and operational revenues and expenditure; the allocations Council has budgeted for in developing and maintaining the different asset classes; how much Council will raise in rates; the rating structure and an assessment of the social and economic effects of that rating structure, and, the budget allocations for elected members allowances.

Adequacy of Constitutional Arrangements

As required by the provisions of Section 23 of the Local Government Act, the Constitutional Arrangements were reviewed in 2014 and presented to the Minister in March 2015 prior to the November 2015 Litchfield Council Elections. It was resolved that the composition and structure at the time of review should be retained.

The constitutional arrangements will be reviewed and presented to the Minister prior to the next Council elections in 2017.

Annual Service Delivery and Staffing Plan

Opportunities and Challenges for Service Delivery in the Litchfield Municipality

In reviewing the Long Term Financial Plan and undertaking the process for developing the Annual Budget, Litchfield Council has considered a number of opportunities and challenges for service delivery in the Litchfield Municipality.

A particular challenge for Litchfield Council has been the extent of **rates and infringements arrears** and the impact this has on Council's capacity to afford to deliver the services and works committed in each year's plan. Efforts have been made to address this problem in the current financial year (2015/2016) that are proving very successful. These efforts will continue in 2016/2017.

Waste management has been recognised as a challenge for Council to work with the community to lessen our impact on the environment and to contribute to the sustainability of global human settlement. Council will be developing a Waste Management Plan in 2016/2017 to address both Council's own waste as well as the Litchfield community's waste.

Animal management in the Municipality continues to impact safety and amenity, with issues such as feral dogs, un-micro-chipped pets and a growing need for ranger intervention propelling Council to commit to developing a strategic approach in 2016/2017.

The challenge of closing the **infrastructure renewal gap** is a common issue for local governments across Australia. As a relatively young municipality Council is well-placed to ensure this gap does not widen to become unsustainable. An Asset Management Plan will be developed in 2016/2017 to ensure this is the case.

In recent times there has been a growth in mining exploration and activity in the Municipality, resulting in increased heavy usage of **Council roads**. This issue (Haul Roads) is being explored by a NT Heavy Vehicle Working Group at present and Council expects to take recommended actions in the 2016/2017 year.

Council has identified an opportunity to increase the emphasis on **community development, engagement and education**. The Municipality is growing, and with that growth, and the type of growth, come rising community expectations for services, facilities and involvement in community planning. In 2016/2017, resources have been allocated to step up these activities with the expectation that external sources for funding new programs will be identified and acted upon.

In Council's Strategic Plan, Council has highlighted a number of areas where there are opportunities to positively shape the future through connected efforts and sharing responsibility with individuals, organisations, business and all levels of government. The aim is to enable localities to thrive; to co-create safe, healthy, active communities where everyone is involved and valued.

There is an opportunity to bring together an advisory group of those involved in local health and wellbeing matters to work with Council and advocate with other stakeholders.

A further opportunity is to develop a Women's Business Network to share ideas and foster growth and professional development.

A recent organisational review has led to a realignment of functions within Council and in 2016/2017 we should see improved corporate support systems and greater efficiencies achieved in delivering services.

+ Possible Changes to Council's Administrative and Regulatory Framework

The following activities have been identified as having a potential impact on Council's Administrative and Regulatory Framework.

- Develop a new Governance & Risk Management Framework.
- Review existing policies and develop new policies and procedures to rationalise the Policy Framework to ensure we comply with all statutory and regulatory requirements.
- Update the Rural Dog Management By-Law.
- Developer Contribution Plan.

Working with Others to Improve Service Delivery in the Litchfield Municipality

Litchfield Council is a member of the Top End Regional Organisation of Councils (TOPROC), which is committed to the sustainable development of the Greater Darwin Region and meets regularly to explore common issues and generate potential solutions.

TOPROC membership is made up of Mayors and CEOs from the following Councils:

- Belyuen Community Government Council.
- Coomalie Community Government Council.
- Darwin City Council.
- Litchfield Council
- Palmerston City Council
- Wagait Shire Council.

Litchfield Council is also a signatory to a Common Services Joint Agreement between some Northern Territory Councils and Tasmanian Councils which allows for the sharing of staffing resources.

Annual Service Delivery Plan - Program Profiles

PLANNING & DEVELOPMENT			
Directorate: Operations			
Responsible Officer: Planning Manager		Number of FTEs: 4	
Strategic Priority	1.	Everything You Need	
	2.	A Great Place to Live	
	3.	A Beautiful Natural Environment	
	4.	A Vibrant Economy	
Outcome	1.1	Roads	
	1.2	Public Transport	
	1.6	Drainage	
	2.5	Community	
	2.6	A Sense of Place	
	3.1	Protection	
	3.2	Sustainability	
	3.3	Open Space	
	4.1	Economic Development	
	4.1	Local Employment	
Council Roles	Service Delivery, Advocacy		
Program Description			
Review and provide commentary on all long-term regional plans, policies, development proposals and planning applications relevant to Litchfield Municipality, guided by Northern Territory and Council plans and policies and advocate for amenity for new and existing residents.			
Key Outputs			
Submission to NT Government		Review and inspect development plans	
Participation in NT working groups		Participation in NT working groups associated with planning	
Inspections			
New Initiatives			\$
Developer Contribution Plan Review			160,000
Road Formation for Battle-axe Roads			50,000
2016/17 Budget		\$	\$
Operational Revenue	41,000	Capital Revenue	293,000
Operational Expenditure	807,192	Capital Expenditure	48,000
Net Operating Cost	766,192	Net Capital Cost	245,000
Key Performance Indicator		Unit	Target
Review Developer Contribution Plan with agreed timeframes			Completed
Issue works (new) permits		Days	<5
Review development plans		Days	<10
Respond to planning applications within required timeframes		%	>85%



WORKS			
Directorate: Operations			
Responsible Officer: Works Manager		Number of FTEs: 3	
Strategic Priority	1.	Everything You Need	
	2.	A Great Place to Live	
Outcome	1.1	Roads	
	1.6	Drainage	
	2.2	Recreation	
Council Roles		Service Delivery	
Program Description			
Develop, schedule, contract and implement annual programs for capital works, infrastructure asset renewal, maintenance and upgrade; prepare designs, specifications, estimates and tender documentation for works; supervise contracts; conduct routine maintenance inspections; apply for grants, and, ensure timely responses to ratepayer requests for services.			
Key Outputs			
Capital Works Program		Asset Management Policy and Plans	
Road Upgrades and Maintenance Program		Drainage Upgrades and Maintenance Program	
Property Maintenance Program		Special Rate Schemes on request	
Road Closures on request		Annual Reseal Program	
New Initiatives			\$
Council Offices – maintenance and cleaning of roof			10,000
Council Offices – painting of verandah posts and railings			8,000
2016/17 Budget		\$	\$
Operational Revenue	2,372,391	Capital Revenue	4,753,656
Operational Expenditure	3,381,699	Capital Expenditure	5,460,628
Net Operating Cost	1,009,308	Net Capital Cost	706,972
Key Performance Indicator		Unit	Target
Works (Operating) Program - as adopted completed in timeframes		%	>90
Works (Capital) Program - as adopted completed within agreed timeframes		%	>90
Contracted work completed within agreed timeframes and in accordance with contracts		%	80
Drainage / roads meet a condition rating of satisfactory or above		%	>75
Emergency works response mobilised		Time	<48 hours
Infrastructure maintenance works funded by Territory Government		%	50
Infrastructure capital works funded by Federal Government		%	50
Data			
Number of Roads Reported with Potholes: 2013 – 138 2014 – 307 2015 - 178			
Of each dollar collected from rates \$0.44 is spent on municipal roads.			

MOBILE WORK FORCE (MWF)			
Directorate: Operations			
Responsible Officer: MWF Manager		Number of FTEs: 8.67	
Strategic Priority	1.	Everything You Need	
	3.	A Beautiful Natural Environment	
Outcome	1.1	Roads	
	1.4	Cleanliness	
	3.4	Fire	
	3.5	Weeds	
Council Role	Service Delivery		
Program Description			
Provide an effective and efficient maintenance service for Council's road verges, drainage easements, signs, reserves, excised lands and areas surrounding waste transfer stations and Council buildings using well-maintained plant & equipment.			
Key Outputs			
Annual Maintenance Schedule	Plant & Equipment Servicing Schedule		
New Initiatives			\$
Mobile Work Force Study			40,000
2016/17 Budget		\$	\$
Operational Revenue	0	Capital Revenue	80,000
Operational Expenditure	1,240,314	Capital Expenditure	176,000
Net Operating Cost	1,240,314	Net Capital Cost	96,000
Key Performance Indicator		Unit	Target
Vegetation slashing and mowing of 900kms of road network (equivalent to 7,200kms per round) before July fire bans		Rounds	2
Fire breaks and road reserves slashing of 1000kms within Council owned and managed land		Kms	>75%
Replace all non-compliant signs in the signage program to Australian standards		Number	100%
Reduce lost time due to plant & equipment breakdown		Lost Hours	<20
Plant serviced within 3 days of service due date		%	90
Data			
We slash 9000kms of verges beside Council roads each year (two rounds – 4 times each side of the road)			
Number of Damaged Road Signs replaced per year (@\$266ea to repair and install)			
2013 – 108 2014 – 208 2015 – 352			



WASTE MANAGEMENT			
Directorate: Operations			
Responsible Officer: Waste Manager		Number of FTEs: 12.8	
Strategic Priority	1.	Everything You Need	
	3.	A Beautiful Natural Environment	
Outcome	1.2	Waste	
	3.2	Sustainability	
Council Role	Service Delivery		
Program Description			
Implementing an environmentally sustainable, safe and cost-effective waste management system through Council's waste disposal facility, waste transfer stations and recycling operations.			
Key Outputs			
Waste Disposal Program	Recycling Program		
Waste Management Plan			
New Initiatives			\$
Waste Management Plan			50,000
Additional operator at Berry Springs Waste Transfer Station			81,950
2016/17 Budget		\$	\$
Operational Revenue	2,826,844	Capital Revenue	419,700
Operational Expenditure	2,824,048	Capital Expenditure	280,000
Net Operating Cost	2,796	Net Capital Cost	139,700
Key Performance Indicator		Unit	Target
Waste tonnage transferred to Shoal Bay		Tonnes	<10,000
% of green waste received that is on-sold as mulch		Tonnes	>80%
Data			
Litchfield Residents recycled 359 tonnes of waste in 2015			
9,327 tonnes of waste went to landfill at Shoal Bay in 2015 from the Litchfield Council area			

REGULATORY SERVICES			
Directorate: Operations			
Responsible Officer: Senior Ranger	Number of FTEs: 3		
Strategic Priority	2.	A Great Place to Live	
Outcome	2.4	Animal Control	
Council Role	Service Delivery, Regulate, Work with Community		
Program Description			
Within the Municipality, oversee a public education program about animals; manage dogs through implementing and enforcing the Litchfield Council Rural Dog Management By-Law; manage the population of feral dogs and other animals, and, address abandoned vehicles.			
Key Outputs			
Animals are secured to ensure public safety and avoid nuisance.	Feral dog management program		
Public Education Program	Micro-chipping program		
Complaints Management	Abandoned vehicles removed from roadside		
New Initiatives			\$
Free Micro-Chipping Day – 500 micro-chips			6,000
Feral Dog Management Program			40,000
Animal Management Initiative			30,000
2016/17 Budget	\$		\$
Operational Revenue	43,500	Capital Revenue	11,000
Operational Expenditure	436,547	Capital Expenditure	48,000
Net Operating Cost	393,047	Net Capital Cost	37,000
Key Performance Indicator		Unit	Target
Increase in no. of animals micro-chipped		%	50
Customer requests actioned within 5 working days		%	>90%
Public Education Program			Developed
Feral Dog Management Plan			Implemented
Decrease in no of dogs at large		Number	< prev. year
Decrease dogs at large		Number	< prev. year
Data			
4799 dogs in the Litchfield Municipality have been micro-chipped			
Number of dog attacks relating to another animal: 2014 – 100 2015 - 73			
Number of dog attacks on people: 2014 – 14 2015 - 13			
Number of dogs at large : 2013 – 352 2014 – 244 2015 – 252			
Number of abandoned vehicles: 2013 – 30 2014 – 61 2015 – 80			



FINANCE			
Directorate: Community & Corporate Services			
Responsible Officer: Finance Manager		Number of FTEs: 7	
Strategic Priority		An Effective and Sustainable Council	
Outcome		Good Governance	
		Modern Service Delivery	
Council Role		Service Delivery	
Program Description			
Provide financial services to assist Council in making informed decisions regarding allocating resources efficiently and effectively in the short and long term, and to ensure Council meets all its statutory and regulatory obligations.			
Key Outputs			
Annual Budget		Long term financial plan	
Monthly and Annual financial reporting		Long term rating strategy	
Revenue collection		Accounts payable and payroll	
Customer Service			
2016/17 Budget		\$	\$
Operational Revenue		7,492,433	Capital Revenue 9,500
Operational Expenditure		1,200,919	Capital Expenditure 35,000
Net Operating Surplus		6,291,514	Net Capital Cost 25,500
Key Performance Indicator		Unit	Target
Compliance with management, statutory and regulatory budgeting and reporting		%	100
Prior year rates arrears		%	<5%
Current years rates outstanding as at 28 February 2017		%	<5%
Rates to operating expense ratio		%	60-70
Liquidity ratio			>1:1

INFORMATION SERVICES			
Directorate: Community & Corporate Services			
Responsible Officer: Information Services Manager	Number of FTEs: 1		
Strategic Priority	An Effective & Sustainable Council		
Outcome	Engage our Community		
	Good Governance		
	Modern Service Delivery		
Council Role	Service Delivery		
Program Description			
Ensure the delivery of efficient and effective information technology and communications systems, infrastructure and support services, geographical information services and records management to enable improved services for Council's customers, deeper engagement, the capture and use of Council knowledge and effective processes.			
Key Outputs			
IT Services Contract Management	Records Management System		
Geographical Information System	Authority Application Support		
New Initiatives			\$
IT System – clean for space reduction			12,000
IT Improvement Plan – 10 year plan			25,000
2016/17 Budget		\$	\$
Operational Revenue	37,909	Capital Revenue	0
Operational Expenditure	463,841	Capital Expenditure	0
Net Operating Cost	425,932	Net Capital Cost	0
Key Performance Indicator		Unit	Target
Timely resolution of technology issues		Days	<1 day
Staff using records management system		%	>80



COMMUNITY SERVICES & COMMUNITY DEVELOPMENT		
Directorate: Community & Corporate Services		
Responsible Officer: Community Development Officer	Number of FTEs: 1	
Strategic Priority	2.	A Great Place to Live An Effective & Sustainable Council
Outcome	2.1	Social Activity
	2.2	Recreation
	2.3	Culture
	2.5	Community
Council Role	Service Delivery, Advocate, Fund, Work with Community, Partners	
Program Description		
Support committees of management in recreation reserves, the community grants program, annual student scholarships program and support for the Litchfield Collection at Taminmin Community Library; identify opportunities for grant funding for Council and community activities, and, support community events and programs.		
Key Outputs		
Community Grants Program	Annual student scholarships program	
Community Heritage Collection preservation	Overseeing governance and operations of management committees in recreation reserves	
Community events and programs support	Grants management	
Aquatics Facility Study		
New Initiatives		\$
Southport Mira Square Centre	20,000	
Freds Pass Show Donation	40,000	
Aquatics Facility Study	30,000	
Schools Community Service Award	2,000	
Palmerston & Rural Seniors Group –Seniors Fortnight	5,000	
Additional Community Support Donations Funding	10,000	
Key Performance Indicator	Unit	Target
Grants Acquitted within agreed timeframes	%	100
Recreation Reserves operate under leases where appropriate	%	100

COMMUNITY EDUCATION			
Directorate: Community & Corporate Services			
Responsible Officer: Environment & Education Officer	Number of FTEs: 1		
Strategic Priority	1.	Everything You Need	
	2.	A Great Place to Live	
	3.	A Beautiful Natural Environment	
	An Effective & Sustainable Council		
Outcome	2.4	Waste	
	2.5	Community	
	3.2	Sustainability	
	3.5	Weeds	
Council Role	Work with Community, Partners		
Program Description Provide ongoing education programs / information in relation to weeds, recycling and disposal of waste materials, to improve the environmental awareness and performance of Council's operations and local environmental awareness within the community.			
Key Outputs			
Recycling & Waste Disposal Brochures	Community Information Booth at local events		
Weeds education program for staff	Community Events including Australia Day		
2016/17 Budget	\$		\$
Operational Revenue	1,100	Capital Revenue	3,000,000
Operational Expenditure	1,282,230	Capital Expenditure	3,075,000
Net Operating Cost	1,281,130	Net Capital Cost	75,000
Key Performance Indicator		Unit	Target
Education Sessions in Local Schools		No.	>10
Community Education Programs		No.	2



HUMAN RESOURCES AND WORK HEALTH & SAFETY			
Directorate: Community & Corporate Services			
Responsible Officer: HR & WHS Adviser	Number of FTEs: 1		
Strategic Priority	An Effective & Sustainable Council		
Outcome	Good Governance		
Council Role	Service Delivery		
Program Description			
Manage and deliver a suite of human resources services and Council's Work Health & Safety Plan			
Key Outputs			
Performance Management Framework	Enterprise Agreement		
Current suite of position descriptions	Work Health & Safety policy, plan and audit program		
Training & Development Plan	Employment support service		
Key Performance Indicator		Unit	Target
Staff Turnover rate		%	<20

GOVERNANCE & RISK			
Directorate: Community & Corporate Services			
Responsible Officer: Governance & Risk Adviser	Number of FTEs: 1		
Strategic Priority	An Effective & Sustainable Council		
Outcome	Good Governance		
	Modern Service Delivery		
Council Role	Service Delivery		
Program Description			
Support the Audit Committee and ensure Council's compliance with the Local Government Act and other relevant legislation through providing advice, maintaining required registers, and developing and implementing a governance framework that supports best practice governance.			
Key Outputs			
Governance & Risk Management Framework	Risk Registers		
Elected Members support	Council Agendas, Minutes		
Policy Framework	Audit Committee Support		
2016/17 Budget	\$		\$
Operational Revenue	0	Capital Revenue	0
Operational Expenditure	420,850	Capital Expenditure	0
Net Operating Cost	420,850	Net Capital Cost	0
Key Performance Indicator	Unit		Target
Compliance with legislative requirements as per Compliance Checklist (DOLG)	%		100%
Risk Management Audit Committee Meetings	No.		4
Internal Audits conducted as defined in the Internal Audit Program	No.		3
Governance & Risk Management Framework	Documented		Complete



THORAK REGIONAL CEMETERY			
Directorate: Community & Corporate Services			
Responsible Officer: Thorak Manager		Number of FTEs: 6	
Strategic Priority	2.	A Great Place to Live	
		An Efficient & Sustainable Council	
Outcome	2.5	Community	
	2.6	Sense of Place	
		Modern Service Delivery	
Council Role	Service Delivery, Work with Community		
Program Description			
Operate the Thorak Regional Cemetery in an efficient and effective manner in accordance with approved plans and the Northern Territory of Australia Cemeteries Act, Cemeteries regulations and Council policy.			
Key Outputs			
Internments and Cremations	Grounds Maintenance		
Chapel and Amenities	Cemetery products		
2016/17 Budget	\$		\$
Operational Revenue	842,450	Capital Revenue	12,000
Operational Expenditure	877,859	Capital Expenditure	40,000
Net Operating Cost	35,409	Net Capital Cost	28,000
Key Performance Indicator		Unit	Target
Compliance with cemetery regulations		%	100
Achievement of Operational Budget		%	100

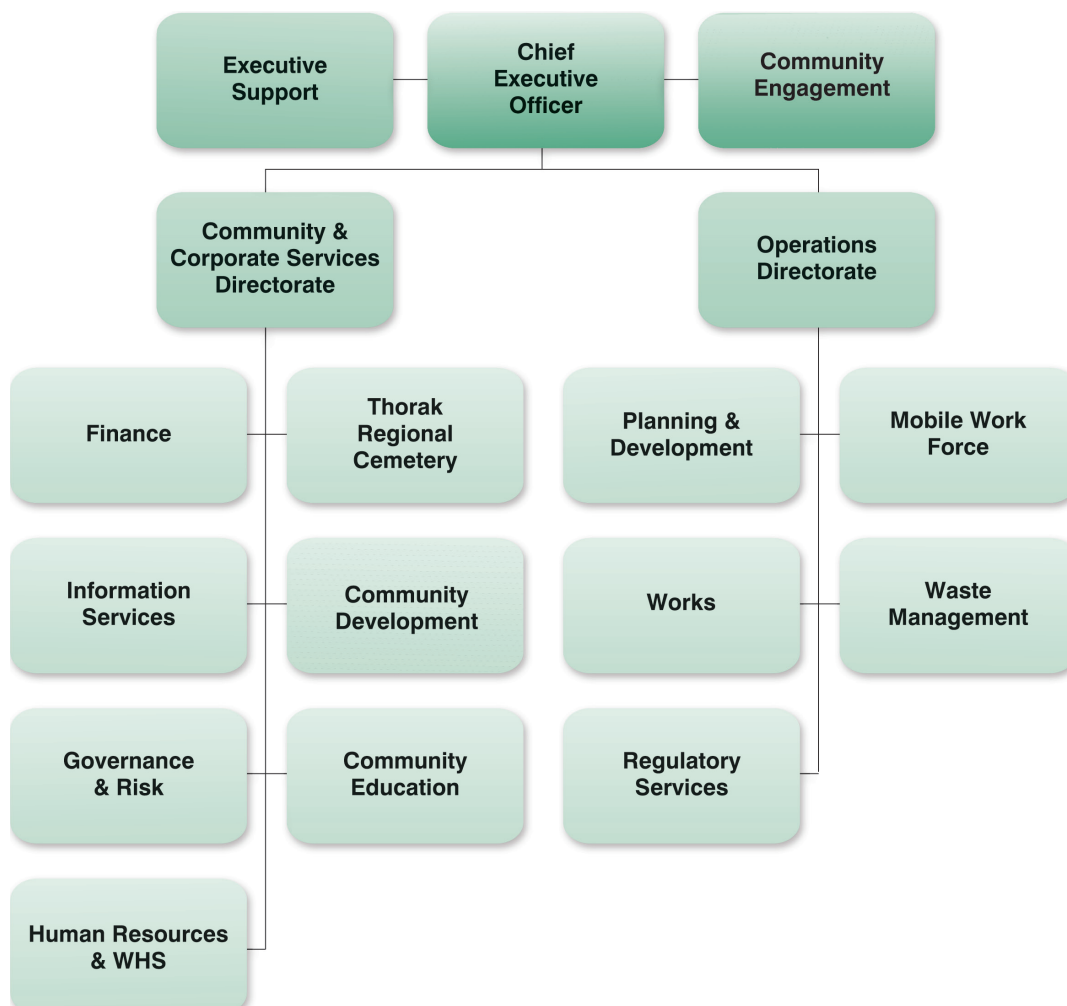
COUNCIL LEADERSHIP			
Directorate: Office of the Chief Executive			
Responsible Officer: Chief Executive Officer		Number of FTEs: 3	
Strategic Priority	4.	A Vibrant Economy	
		An Efficient & Effective Council	
Outcome	4.1	Economic Development	
		Engage Our Community	
		Good Governance	
		Partnerships & Advocacy	
		Modern Service Delivery	
Program Description			
Provide leadership for the organisation, ensuring good governance, clear and consistent communication, reputation management, media monitoring and management, community engagement, sound resource management practices and the delivery of timely services and safe operations, all in accordance with Council's strategic priorities, policies and plans and legislative requirements.			
Key Outputs			
Review of Adequacy of Constitutional Arrangements		Survey of Residents' Perceptions of Services (Annual Community Survey)	
Elected Members Support		Leadership	
New Initiatives			\$
Women's Business Network			12,000
2016/17 Budget		\$	\$
Operational Revenue		0	Capital Revenue
Operational Expenditure		923,742	Capital Expenditure
Net Operating Cost		923,742	Net Capital Cost
Key Performance Indicator		Unit	Target
Develop a Professional Development Program for Councillors			Completed
Annual Community Survey			Completed

+ 2016/2017 Annual Staff Plan Summary

Overall staff numbers are expected to increase by one in the 2016/17 financial year. This is related to the additional staff member required at the Berry Springs Waste Transfer Station.

Directorate	FINANCIAL YEAR	
	Budget 2015/16	Budget 2016/17
Community & Corporate Services	19	18
Operations	31.47	32.47
Office of the Chief Executive	2	3
Total Full Time Equivalent Staff	52.47	53.47
Total Cost of Staff Plan	\$5,388,228	\$5,380,875

Organisation Functions Chart as at 1 July 2016



2016/2017 Annual Budget

Budget Summary

	FORECAST 2016 \$	BUDGET 2017 \$	INCREASE %
Operating Revenue	13,745,897	13,657,627	-1%
Capital Revenue	7,157,102	8,578,856	17%
Total Revenue	20,902,999	22,236,483	6%
Operating Expenditure	13,619,545	13,859,241	2%
Capital Expenditure	10,572,584	9,162,628	-15%
Total Expenditure	24,192,129	23,021,869	-5%
Net Transfers from Reserves	3,289,130	785,386	
Balance Surplus / Deficit	-	-	

The 2016/2017 Budget has been prepared to ensure that Council continues to improve the delivery of services to Ratepayers and continues to invest in its assets in an efficient and considered manner.

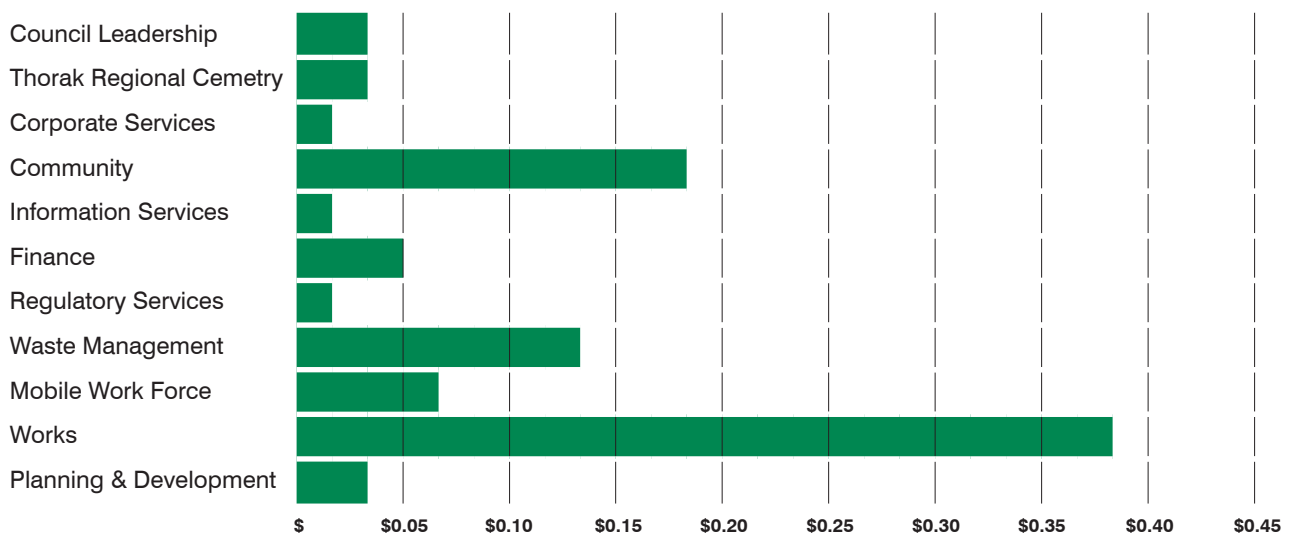
Council has also included a \$631,950 investment in “new initiatives” in this year’s budget aimed at supporting Councils strategic and operational objectives.

We are facing some challenges with regard to our investment in our road infrastructure with a reduction

in Government Grants programs that are accessible to council. Our Federal Government Financial Assistance Grants, are predicted to reduce by 5% in 2016/2017.

The Budget has been funded by a 5.5% increase in general rates and \$785,386 from our Reserves.

How Council has chosen to spend in the 2016/2017 Budget year is summarised in the table below. This highlights the Councils focus on service delivery in the core areas of Works, Waste Management and Community. Each \$ is spent as follows:



+ Operational Revenue

There is no material change to Council's predicted Operational Revenue when we compare the 2016/2017 Budget to the 2015/2016 forecast. The predicted increase in rates is covering the expected reduction of income from Thorak Cemetery and across the Waste Management & Works areas. Waste Management revenue is reduced due to the carbon tax rebate that was received during the 2015/2016 financial year. Works revenue is less due to funding from the Federal Assistance Grants program reducing by 5%.

Rates represent 47% of total operational revenue. in 2015/2016 it was 44%. This highlights the need for Council to diversify sources of revenue and maintain a focus on maximising access to Government grant programs.

DIRECTORATE	DIVISION	FORECAST 2016 \$	BUDGET 2017 \$
Council Leadership		54,956	-
	Elected Members	54,956	-
Community and Corporate Services		7,929,481	8,373,892
	Finance	7,109,532	7,492,433
	Information Services	12,000	37,909
	Community	1,140	1,100
	Thorak Cemetery	806,809	842,450
Operations		5,761,460	5,283,735
	Regulatory Services	50,529	43,500
	Planning	36,052	41,000
	Mobile Workforce	1,994	-
	Works	2,500,218	2,372,391
	Waste Management	3,172,667	2,826,844
Grand Total		13,745,897	13,657,627

Capital Revenue

Capital Revenue is expected to increase by 19.8% due primarily to the effect of a predicted increase in grants related to the upgrade of Freds Pass \$3M and a reduction in the expected grants related to road infrastructure investment.

DIRECTORATE	DIVISION	FORECAST 2016	BUDGET 2017
Community and Corporate Services		80,045	3,021,500
	Finance	-	9,500
	Community	75,500	3,000,000
	Thorak Cemetery	4,545	12,000
Operations		7,077,057	5,557,356
	Regulatory Services	21,818	11,000
	Planning	276,660	293,000
	Mobile Workforce	-	80,000
	Works	6,355,298	4,753,656
	Waste Management	423,281	419,700
Grand Total		7,157,102	8,578,856

Operational Expenditure

Operational expenditure is expected to increase by 1.7% on the 2015/2016 forecast. There have been increases in expenditure in Waste Management, Public Relations and Community to improve service delivery in these areas. This increase has been offset by reduction in expenditure in the Works division which relates to an overall reduction in the road maintenance program.

DIRECTORATE	DIVISION	FORECAST 2016	BUDGET 2017
Council Leadership		1,167,333	923,742
	Elected Members	395,086	418,637
	Office of the CEO	767,551	379,467
	Community Engagement	4,696	125,638
Community and Corporate Services		3,924,038	4,245,699
	Finance	877,436	1,200,919
	Information Services	459,835	463,841
	Corporate	678,420	420,850
	Community	1,017,110	1,282,230
	Thorak Cemetery	891,237	877,859
Operations		8,528,174	8,689,800
	Regulatory Services	363,173	436,547
	Planning	678,394	807,192
	Mobile Workforce	1,160,806	1,240,314
	Works	3,797,791	3,381,699
	Waste Management	2,528,010	2,824,048
Grand Total		13,619,545	13,859,241

+ Capital Expenditure

Capital Expenditure is predicted to decrease by 13% in 2016/2017 when compared to the forecast for 2015/2016. A significant reduction in grants received to perform roadworks will be partially offset by the \$3M grant expenditure for improvements at Fred Pass Reserve.

DIRECTORATE	DIVISION	FORECAST 2016	BUDGET 2017
Council Leadership		83,904	-
	Elected Members	39,254	-
	Office of the CEO	44,650	-
Community and Corporate Services		507,501	3,150,000
	Finance	-	35,000
	Community	444,525	3,075,000
	Thorak Cemetery	62,976	40,000
Operations		9,981,179	6,012,628
	Regulatory Services	45,698	48,000
	Planning	50,000	48,000
	Mobile Workforce	54,614	176,000
	Works	9,680,867	5,460,628
	Waste Management	150,000	280,000
Grand Total		10,572,584	9,162,628

Council's Financial Reserves

Council is forecasting for its Financial Reserves to be reduced during the 2016/2017 financial year by \$785,386 or 9.6%. These funds will be used to invest in council assets, developing infrastructure and to fund strategic initiatives.

Strategic Initiatives include revising Council's Development Contributions Plan and addressing road access issue for battle-axe blocks.

While the balance of Council's Financial Reserves is forecast to remain at a healthy level we need to continue to diligently manage the use of this important Council resource in the future.

	BALANCE	TO	FROM	BALANCE
	As at	RESERVES	RESERVES	As at
	01/07/2016			30/06/2017
	\$	\$	\$	\$
Property Reserve	493,339		(93,000)	400,339
Plant and Equipment Reserve	152,650		(122,650)	30,000
Infrastructure Reserve	1,298,737		(361,554)	937,183
Developer Contributions Reserve	929,853	280,000	(301,972)	907,881
Waste Management Reserve	2,995,162	407,200	(280,000)	3,122,362
Election Reserve	69,203		(20,000)	49,203
Disaster Recovery Reserve	790,388		-	790,388
Strategic Initiatives Reserve	1,444,139		(230,000)	1,214,139
Thorak Cemetery Reserve	(52,590)		(63,409)	(115,999)
Total Reserve Funds	8,120,881	687,200	1,472,585	7,335,496

+ Balance Sheet

The Balance Sheet below indicates Council will be in a strong financial position at 30 June 2016 and this will continue throughout the 2017 financial year.

Cash reserves have increased from 2015 due to receiving the \$3,000,000 Freds Pass Reserve grant prior to 30 June 2016. Cash reserves are expected to reduce over 2017 as major projects will be completed during the year.

The value of non-current assets (Infrastructure, property, plant & equipment) is projected to reduce in 2016 due to depreciation being at a greater level than our capital expenditure. With the completion of projects in 2017 the value of non-current assets is expected to increase.

Trade and other payables have increased significantly from the 2015 to 2016 financial year due to the accounting treatment of a number of key infrastructure projects that are currently in progress and due to be completed during 2017.

	Year Ended 30 June 2014 \$	Year Ended 30 June 2015 \$	Forecast Year Ended 30 June 2016 \$	Forecast Year Ended 30 June 2017 \$
CURRENT ASSETS				
Cash & Equivalents	1,483,686	364,284	928,674	564,431
Trade and other Receivables	3,233,260	2,933,316	1,632,313	1,423,100
Other financial assets	14,058,066	15,149,029	21,151,630	15,663,106
TOTAL CURRENT ASSETS	18,775,012	18,446,629	23,712,617	17,650,637
NON CURRENT ASSETS				
Infrastructure, Property, Plant & Equipment	196,456,235	288,742,937	284,716,555	287,123,107
Other non-current assets	274,752	875,072	85,000	-
TOTAL NON CURRENT ASSETS	196,730,987	289,618,009	284,801,555	287,123,107
TOTAL ASSETS	215,505,999	308,064,638	308,514,172	304,773,744
CURRENT LIABILITIES				
Trade and other payables	1,249,678	1,601,343	5,914,242	1,152,649
Provisions	439,573	485,669	421,963	443,062
TOTAL CURRENT LIABILITIES	1,689,251	2,087,012	6,336,205	1,595,711
NON CURRENT LIABILITIES				
Provisions	257,664	290,787	199,817	209,808
TOTAL NON CURRENT LIABILITIES	257,664	290,787	199,817	209,808
TOTAL LIABILITIES	1,946,915	2,377,799	6,536,022	1,805,519
NET ASSETS	213,559,084	305,686,839	301,978,150	302,968,225
EQUITY				
Accumulated Surplus	54,967,609	52,040,194	50,545,539	52,321,000
Asset Revaluation Reserve	147,012,322	243,311,730	243,311,730	243,311,730
Other Reserves	11,579,152	10,334,915	8,120,881	7,335,496
TOTAL EQUITY	213,559,083	305,686,839	301,978,150	302,968,226

Rates and Charges

Council's Rating Strategy including Social and Economic Impact of the Strategy

Council's strategy for setting this financial year's rates and charges considered the long-term financial planning model, the strategic priorities for providing services and infrastructure, and, the principles behind deciding on the most appropriate mix given the social and economic realities of the Litchfield community.

Council has examined the ratepayers' capacity to pay, who benefits and how best to balance the costs of present and future benefits, the concept of user-pays, the efficiency of different models for raising the rates, how easy it is for everyone to understand what they are being charged and why and the consistency of Council's approach.

Council has an ambitious works and service delivery program but recognises the limitations of raising the majority of funds via rates and charges and drawing on Financial Reserves. Thus Council has identified the importance of strong advocacy and attracting extra funds via seeking grants.

Council's rating strategy has two categories – residential and rural; and, other, which includes commercial and industrial. The basis of charging differs with residential and rural at a fixed rate and the other based on valuation with a minimum charge.

By increasing the general rates by 5.5% in 2016/2017, Council has opted for the costs of Council to be shared by all categories of ratepayers.

The table below is a summary of recent rate increases:

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Rates % Increases	4.20%	4.20%	6.00%	3.50%	5.00%	5.5%

The increase will result in single dwelling residential ratepayers outside Coolalinga paying an additional 73 cents per week or \$38 for the year and those located at Coolalinga will pay an additional \$1.22 per week or \$63.36 per year.

Council intends to raise \$6,442,325 in revenue from rates in 2016/2017, summarised below:

- \$5,772,064 from residential and rural allotments.
- \$597,544 from commercial and industrial allotments.
- \$72,718 from mining tenements and pastoral leases.

Council has also opted to continue to apply the principle of full cost recovery with regards to constructing a Waste Transfer Station. This Special Purpose Rate is set at \$50 per allotment per year and in 2016/2017 the total raised will be \$407,200.

The Council has agreed to defray costs associated with sealing roads within the Council area. These Special Purpose Rates are set at \$4,010 for Rural Zoned Properties and \$13,480 for those zoned Horticultural. This special purpose rate only applies to those ratepayers who directly benefit from the sealing of the road. For the purposes of this rates declaration the rates relates only to those ratepayers located at Brougham Road, Byers Road and Manton Valley Road.



A further levy or charge for the 2016/2017 year is the Waste Management Charge of \$339 per allotment (excluding land zoned CB, C, SC, TC, LI, GI and DV) to cover the operational costs of \$2,824,048 for Council's three waste transfer stations. This charge has increased by 3.35% to cover increases in operational costs and CPI.

Where infrastructure costs are directly attributable to individual property owners, Council will recover those costs through applying special charge schemes and developer contributions.

Most importantly for ratepayers, and to address concerns about their capacity to pay lump sum amounts, Council has decided that rates and charges may be paid in 2016/2017 (previous year was in two instalments) by three equal instalments by the following dates:

Instalment dates:

- 31 August 2016
- 30 November 2016
- 28 February 2017

The table below is a more detailed summary of summary of the councils rating system & key numbers:

Planning Zone	Code	No. of properties	Rate 2016/2017	Rate 2015/16
Fixed Rates				
Single dwelling Residential; Rural Residential; Rural Living; Rural (excluding Coolalinga)	SD; RR; R; MD; MR; HR; SU; CP; RD; U;CL;HT;PS;CN;OR	7526	\$729.00	\$691.00
Single dwelling Residential; Rural Residential; Rural Living; Rural (including Coolalinga)	SD; RR; RL; R; MD; MR; HR	235	\$1,215.36	\$1152.00
Mining Tenements	As approved by the Minister	83	\$871.68	\$867.34
Pastoral Lease	As approved by the Minister	1	\$368.31	\$366.48
Valuation Based Charge				
Central Business, Future Development, Tourist Commercial, Commercial; Service Commercial, Caravan Parks, General Industry; Development, Light Industry	CB; FD; TC; C; SC; CV; GI; DV; LI; MZ	250	\$0.00181325 Minimum Charge \$1,396.00	0.0017137 \$1260.00
Gas Plant – 10% Increase	MZ	3	0.00188507	0.0017137
Workers Village – 10% Increase	MZ	1	0.00377036	0.0034276
Levy				
Waste Charge*		7796	\$339.00	\$328.00
Humpty Doo Waste Transfer Station Levy**			\$50	\$50
Area A Roads (Byers Road & Manton Valley Road)		14	R \$4,010*** H \$13,480***	N/A
Area B Roads (Brougham Road)		6	R \$4,010***	N/A
*3.35% increase for operating cost neutrality **No change *** R = Rural, H= Horticultural				

Elected Members Allowances

In accordance with Section 71(3) of the Local Government Act, Litchfield Council has adopted at its meeting on 1 June 2016 the Elected Members Allowances as per Ministerial Guidelines for this financial year as follows:

Elected Members Allowances for 2016/2017			
Allowance Type	Mayor	Deputy Mayor	Councillor
Annual Base Allowance*	\$73,125.37	\$27,039.81	\$13,151.83
Annual Electoral Allowance*	\$19,247.18	\$4,812.67	\$4,812.67
Extra Meeting Allowance*			\$8,767.88
Professional Development Allowance*	\$3,653.68	\$3,653.68	\$3,653.68
Total Maximum Claimable	\$96,026.23	\$35,506.16	\$30,386.06

*Annual Base Allowance covers those activities required of a Council member in the performance of their role as an elected representative and includes but is not limited to:

- Agenda study and meeting preparation.
- Attendance at regular Council and committee meetings.
- Attendance at social functions as a Council representative.
- Constituency responsibilities.
- Council representation outside Litchfield Municipality, including delegations interstate and overseas, unless such representation has been approved as an 'extra meeting'.

Annual Electoral Allowance is provided to assist elected members with electoral matters and can be used at the discretion of the individual elected members.

Extra Meeting Allowance is paid in accordance with Council Policy and is capped for each financial year as per the table above.

Professional Development Allowance covers elected members attending approved conferences and training courses that build their professional capacity to perform their role in Council.

+ New Initiatives

For the 2016/2017 financial year Council has determined that it will fund the following new initiatives to address strategic priorities and community needs. These items have been included in the 2016/2017 Budget.

New Initiative	Amount \$	Description
Free Micro-chipping Day – 500 microchips	6,000	Encourage responsible pet ownership and enable dogs to be identifiable
Feral Dog Management Program	40,000	Program to control the number of feral dogs, thus protecting wildlife and domestic animals
Animal Management Initiative	30,000	Animal management activities around the principle of responsible pet ownership
Southport Mira Square Centre	20,000	Seed funding to support the community of Southport's initiative to develop community facilities on Mira Square
Freds Pass Show Donation	40,000	Funds to assist the running of the Freds Pass Show
Aquatics Facility Study	30,000	Investigations regarding an aquatic facility within the municipality
Schools Community Service Award	2,000	Grants to support a community service program in school communities
Palmerston & Rural Seniors Group Sponsorship Grant	5,000	Grant to support the seniors festival within the Litchfield community
Women's Business Network	12,000	Establish a Rural Women's Business Network
Additional Community Support Donations Funding	10,000	Increasing the amount available in the Community Support Grants Program for Council to support community events and activities
IT System – clean for space reduction	12,000	Improve the efficiency of the current IT System at Council
IT Improvement Plan	25,000	Develop a 10 Year Whole of Council IT Strategy
Developer Contribution Plan Review	160,000	Council's current plan for Developer Contributions for new developments was last reviewed in 1998.
Road Formation for Battle-axe roads	50,000	Continue the program to address and resolve road issues related to battle axe blocks
Waste Management Plan	50,000	Consultancy to develop a plan for the future of waste management in the Municipality
Additional operator at Berry Springs Waste Transfer Station	81,950	Improve the efficiency and service delivery at the Berry Springs waste transfer station
Council Offices – maintenance and cleaning of roof	10,000	Programmed maintenance
Council Offices – painting of verandah postings and railings	8,000	Programmed maintenance
Mobile Work Force Study	40,000	Business case for constructing a storage facility to assist with operations.
GRAND TOTAL	631,950	

+ Capital, Carryovers and Maintenance Programs

A capital project is works that result in the creation or improvement of an asset. Replacement of less than 100% of an asset or replacement that does not extend the life of an asset is not considered capital.

Major Projects

Fred's Pass Reserve Upgrade \$3m

The Northern Territory Government will inject \$3M towards the execution of Stage 1 of the Fred's Reserve Management Plan.

Stage 1 includes upgrades to electrical infrastructure, improved road networks, construction of ablution blocks, improved fencing and irrigation.

Major Projects – Projects carried over from the 2015/2016 financial year

At the end of each financial year there are often projects that have yet to be completed.

The following projects commenced in 2015 and are to be completed in 2016.

Freds Pass Road

The Department of Transport's Improving Strategic Local Roads Infrastructure Program has granted Litchfield Council with \$1,220,500 for use in the delivery of Freds Pass Road Upgrade. This grant is to enhance the development of economic infrastructure in regional and remote areas.

Anzac Parade

Currently access to the Barramundi Farm is provided by a narrow understrength pavement and a section of gravel road. Stage 1 of the construction upgrade was estimated at \$1.2 million, but Litchfield Council was successful in obtaining a Regional Economic Infrastructure Fund Grant from the Northern Territory Government for \$1.8 million, the remaining will partially fund Stage 2 of construction at an estimate of \$1.8 million. Stage 1 will commence works in June 2016 with a completion time frame of eight weeks.

+ 2016/2017 Capital Works Program

Road Reseals Program

The total investment in the Council's road re seal program of \$2,624,128 is an increase of 43% or \$789,769 on the \$1,834,359 investment made in the previous financial year.

Road Name	Estimated Cost \$	Funded by Council Reserves – Developer Contributions	Funded by Roads to Recovery – Federal Government
Freds Pass Road	151,973.46		151,973.46
Dowling Road	58,047.25	30,188.86	27,858.39
Phoebe Court	30,064.31		30,064.31
Morgan Road	62,143.93		62,143.93
Old Bynoe	48,813.21		48,813.21
Reedbeds Road	139,055.71	86,597.50	52,458.21
Thorngate Road	431,158.60	4,185.00	426,973.60
Trippe Road	269,752.88	153,493.17	116,259.71
Wallaby Holtz	117,779.43		117,779.43
Westall Road	117,449.05	27,507.39	89,941.66
Thorak Road	84,824.31		84,824.31
Koro Road	29,362.26		29,362.26
Stanley Road	38,563.26		38,563.26
Sunter Road	167,489.61		167,489.61
Trepang Road	72,165.92		72,165.92
Wagtail Court	30,275.76		30,275.76
Woodcote Cres	154,240.67		154,240.67
Brahminy Road	94,154.55		94,154.55
Banker Road	59,090.91		59,090.91
Mira Road South	141,178.18		141,178.18
Sayer Road	69,418.18		69,418.18
Hayball Road	86,432.73		86,432.73
Corella Avenue	118,984.74		118,984.74
Gospport Road	25,136.36		25,136.36
Shrike Lane	26,572.73		26,572.73
TOTAL	\$2,624,128.00	\$302,971.92	\$2,322,156.08

+ Other Budgeted Capital Works

- Cycle Path Capital Works totalling \$230,000 – Girraween and Whitewood Road
- Shoulder widening and sealing totalling \$300,000
- Freds Pass Road shoulder widening totalling \$180,000
- Leonino Road Culvert Extension and reconstruction of floodway totalling \$400,000
- Ringwood Street Culvert totalling \$50,000
- Survey & Design of Southport Roads totalling \$50,000
- Geotechnical Investigations totalling \$60,000 – Whitewood and Virginia Roads
- Wig Wag Warning Lighting totalling \$150,000 – Whitewood Road

Infrastructure Maintenance Program

The 2016/17 road maintenance program budget has been reduced by 23% or \$684,984 due to predicted reduction in required spending in the areas of signage, pavements and line marking.

This program is funded directly by rates revenue.

	2014/2015	2015/2016	2016/2017
Road Maintenance Program			
• Kerbing	3,770	10,000	12,000
• Maintenance Grading	66,126	125,000	205,000
• Patching	170,551	205,000	100,000
• Pavements Rehabilitation	100,518	587,449	180,000
• Re-gravelling	282,839	237,273	350,000
• Shoulders	337,284	493,782	300,000
• Signage	71,523	240,000	120,000
• Road Culverts	137,178	40,000	30,000
• Road Table Drains	140,033	242,355	160,000
• Driveway Access	42,449	53,500	120,000
• Driveway Culverts	56,451	150,000	160,000
• Safety Barriers	12,823	10,000	50,000
• Stormwater drains	0	101,625	90,000
• Stabilisation	0	9,510	30,000
• Guide Posts	0	50,490	56,000
• Floodway's / Causeways	75,300	30,000	60,000
• Line marking	85,761	330,000	160,000
• Sweeping	3,477	20,000	50,000
Buildings Maintenance Program*	62,926	48,000	66,000
TOTAL	\$1,649,009	\$2,983,984	\$2,299,000

*Buildings Maintenance does not include Recreation Reserves buildings.

+ Grants, Donations & Sponsorships

Council is very proud of its commitment to support community groups and organisations in running their own programs and events. It has provided funds to maintain and preserve the Municipality's Heritage Collection.

Funding in the 2016/2017 financial year has increased \$43,587 or 56% on the budgeted expenditure across this area during 2015/2016.

Grant/Donation/Scholarship	Amount \$	Description
Community Support Grants Program + additional funding	35,000	Council fund for the support of community events and activities
Southport Mira Square Centre	20,000	Provide seed funding to support the community of Southport's initiative to develop community facilities on Mira Square
Freds Pass Show Donation	40,000	Funds to assist the running of the Freds Pass Show
Schools Community Service Award	2,000	Grant to support a community service program in school communities
Palmerston & Rural Seniors Group Sponsorship	5,000	Grant to support the seniors festival within the Litchfield community
Library Heritage Collection	10,000	Funding to support the preservation of community heritage at Taminmin College
Cash for Cans	10,000	Funds raised by on-selling aluminium cans are donated to a local sporting group
GRAND TOTAL	\$122,000	

Support for Recreation Reserves

Council has a number of recreation reserves that it supports in a variety of ways, including the allocation of funding to support their activities and maintenance of facilities.

The operational funding for the reserves remains the same as the 2015/2016 financial year.

Operational Contributions to Reserves	Funding Amount
Freds Pass Recreational Reserve	\$639,200
Howard Park Recreational Reserve	\$68,000
Knuckey Lagoon Recreational Reserve	\$21,500
McMinns Lagoon Recreational Reserve	\$17,000
Humpty Doo Village Green	\$85,000
Berry Springs Recreational Reserve	\$57,300
Livingstone Recreational Reserve	\$51,000
GRAND TOTAL	\$939,000

+ Long Term Financial Plan

A long-term financial plan is an important element of Council's planning efforts to ensure a sustainable future - one that ensures good practice in taking account of and managing long life assets including roads and drainage infrastructure. It also enables Council to assess the impact of financial decisions in the longer term. Please note that in the LTFP, Operations includes Works, Mobile Work Force, Planning and Regulatory Services.

A long-term financial plan provides a framework to answer questions such as:

- Is sufficient revenue being generated to provide the services and level of services required by the community?
- Is the condition of existing assets providing an acceptable level of service?
- What level of funding is required to upgrade existing assets or construct new assets?
- What is an acceptable increase for rates and charges over the forecast period?

In preparing the long-term plan there have been a number of assumptions made in relation to the following:

- Rates increase at 5% per annum over the forecast period.
- Grants related to road infrastructure have been forecast to decrease by 5%.
- Employment costs projections (given the Enterprise Agreement, banding movements, superannuation liabilities).
- Utility costs.
- Material costs.
- Developer contributions.
- Territory Government economic projections.
- Council's asset renewal & replacement policy.
- Council's 2016-2020 Strategic Plan.

The Strategic Plan 2016-2020 draws on projections for growth from the Greater Darwin Land Use Plan which suggests that by 2025 the population of Litchfield will be 34,000, resulting in 500 new dwellings. Council has factored in the financial impacts of such growth in the Long Term Financial Plan by assuming rates revenue will increase by 5% per annum (excepting mining tenements and pastoral leases). There will be an opportunity to more accurately predict rate revenue growth when Council reviews its Rating Strategy.

Operational costs have been forecast to increase 5% per annum largely across the board, including employment costs, utility costs and material costs. This assumes an underlying average CPI increase of 2.5% in each year as per NT Government economic forecasts. Any exceptions are due to the impact of a decrease in Financial Assistance Grants.

Election expenses in 2017/2018 have been estimated at \$100,000 and factored into the long-term plan, as has an asset revaluation at a cost of \$60,000 which has been included in 2019/2020.

Council has yet to adopt a 10year asset management strategy. At present a draft program is reviewed prior to deliberating on each year's annual budget to determine priorities for the annual program, taking into consideration any new developments or changes in condition assessments. An amount of less than \$2m per annum for capital projects (new assets – roads, drains, bike paths etc) has been included in the plan.

Funding for Infrastructure maintenance is being maintained at \$2m-\$2.5m per annum.

+ Council's main community assets exist in Recreation Reserves which are managed by committees. Council will be advocating for funding to maintain, improve or develop these assets in the longer-term.

Funding for new initiatives has been set at \$250k for operational projects and \$250k for capital projects in the years 2017/2018 and beyond. New operational initiatives will be drawn from those that are proposed in Council's Strategic Plan 2016-2020. Examples include an Animal Management plan, a 10year Drainage Improvement Plan, a Tourism Action Plan and criteria for funding allocation decisions.

A number of partnering strategies are proposed in Council's Strategic Plan 2016-2020 for making progress towards outcomes. Examples include bike-friendly roadways/pathways, protection of flora and fauna, and mapping and promoting cultural activities in the municipality.

If Council proceeds with building a new Aquatics facility, further work will be undertaken to understand the business case, including costs and long-term financial impacts.

Council's proposed advocacy efforts are also outlined in the Strategic Plan 2016-2020.

The Long Term plan below shows an increasing reliance on Council Reserves to fund operational and capital expenditure. This highlights the need for Council to continue to look for new sources of income, gaining maximum access to available Government Grants across all service delivery sectors and continually looking for ways to operate more efficiently and reduce expenditure.

Long Term Financial Plan 2017-2021

	Budget 2016/2017 \$	Plan 2017/2018 \$	Plan 2018/2019 \$	Plan 2019/2020 \$	Plan 2020/2021 \$
Operational Revenue					
Community and Corporate	1,931,567	1,995,505	2,061,986	2,131,126	2,203,045
Operations	5,283,735	5,356,901	5,440,248	5,533,267	5,636,279
OPERATIONAL REVENUE TOTAL	7,215,302	7,352,406	7,502,234	7,664,393	7,839,324
Operational Expenditure					
Council Leadership	923,742	944,979	992,228	1,041,840	1,093,932
Community and Corporate	4,245,699	4,398,135	4,597,041	4,865,893	5,088,188
Operations	8,689,800	8,749,543	9,180,770	9,633,558	10,108,986
OPERATIONAL EXPENDITURE TOTAL	13,859,241	14,092,657	14,770,039	15,541,291	16,291,106
Surplus (Deficit) on Council Operations	(6,643,939)	(6,740,251)	(7,267,805)	(7,876,898)	(8,451,782)
Capital Revenue					
Council Leadership	-	-	-	24,000	-
Community and Corporate	3,021,500	6,000	-	-	24,000
Operations	5,557,356	1,581,989	1,588,802	1,626,391	1,229,059
CAPITAL REVENUE TOTAL	8,578,856	1,587,989	1,588,802	1,650,391	1,253,059
Capital Expenditure					
Council Leadership	-	-	-	100,000	-
Community and Corporate	3,150,000	235,000	10,000	30,000	110,000
Operations	6,012,628	1,700,000	1,950,000	1,910,000	1,630,000
CAPITAL EXPENDITURE TOTAL	9,162,628	1,935,000	1,960,000	2,040,000	1,740,000
Surplus (Deficit) on Council Capital	(583,772)	(347,011)	(371,198)	(389,609)	(486,941)
Surplus (Deficit) on Council Operations and Capital	7,227,711	7,087,262	7,639,003	8,266,507	8,938,723
Transfers to/from Reserves	785,386	325,730	542,332	817,969	1,120,755
Amount required from Rates	6,442,325	6,761,532	7,096,671	7,448,538	7,817,968
Rates	6,442,325	6,761,532	7,096,671	7,448,538	7,817,968
Surplus (Deficit) on Budget	-	-	-	-	-



Contact Us

Phone: (08) 8983 0600
Fax: (08) 8983 1165
Email: council@litchfield.nt.gov.au

Address: 7 Bees Creek Road, Freds Pass, NT
Postal Address: PO Box 446, Humpty Doo, NT 0836

Website: www.litchfield.nt.gov.au