



Municipal Plan 2022-2023

LITCHFIELD
COUNCIL



LITCHFIELD
ART EXHIBITION
Winner
Mayors' Award
\$500



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ACKNOWLEDGEMENT OF COUNTRY

We, the Litchfield Council, acknowledge the traditional custodians of this land. We pay our respects to their Elders, past, present and future.

INTRODUCTION

The Municipal Plan is Litchfield Council's service delivery plan and annual budget for the 2022-2023 financial year. It includes key actions and services (deliverables) for Council to achieve its vision, mission and priorities in the Strategic Plan 2022-2025.

OUR VISION

To be the best place to live in the Top End.

OUR MISSION

To remain focused on delivering the priorities in Council's Strategic Plan to help us deliver on our vision for Litchfield.

OUR PRIORITIES

- People** Community and lifestyle
- Progress** Continuity of services and facilities
- Prosperity** Our economy and growth
- Places** Roads and infrastructure
- Performance** An effective and efficient organisation



MAYOR'S MESSAGE

Welcome to the Litchfield Council Municipal Plan and Budget for 2022/2023.

It is my pleasure to present the first Municipal Plan on behalf of the 11th Council of Litchfield. This is a new Council, with a new direction. We will continue to implement changes and make decisions for the community and we thank you for entrusting us with this.

The new Council are continuing to take our time to appreciate decisions made, documents developed and policies that have been put in place and will continue to build on the foundations that have been laid.

The Municipal Plan and Budget identifies projects, services, facilities and infrastructure that Council will deliver, construct and maintain over the next 12 months.

Council understands the challenges that COVID-19 has presented our community over the past two years and we continue to focus on delivering major projects, injecting money into our recreation reserves and improving services.

Council will spend \$6,417,429 on capital works in 2023, including maintenance and upgrade to roads, drainage and safety.

Council's eight Recreation Reserves will receive just over \$1.5 million and Council continues to support community events and organisations with \$130,000.

The Long Term Financial Plan guides Council's financial sustainability over the next ten years. The Plan continues to build on the sound current financial position that Council is in and focuses on the management of our assets and sustainable and efficient delivery of our services.

Council will continue to build strong partnerships with the Northern Territory and Australian Governments and advocate for funding that will benefit our community.

Litchfield is 'the best place to live in the Top End' and the community is at the heart of all we do.

This Council is dedicated to listening to our community and feel this Municipal Plan and Budget aligns with what we have heard. We look forward to partnering with our community and businesses to provide support, services and sustainable growth in Litchfield.

The Draft Municipal Plan and Budget for the next financial year will be available to the public for feedback. Our new Council will listen to your comments during this period of consultation and all comments will be considered in the development of the final document.

Doug Barden
Mayor

The Long Term Financial Plan –
managing our assets and
delivering sustainable services
now and into the future.



LITCHFIELD OVERVIEW

LITCHFIELD PROFILE

Population	25,566 (59.4% Male / 40.6% Female)
Median Age	37 Years
% Couples with Children	30.5%

OUR ECONOMY

Local Jobs	16,839
Local Businesses	1,903
Employed Residents	14,964

ERP 2019 - (Australian Bureau of Statistics 2016 Census data)

COUNCIL DATA

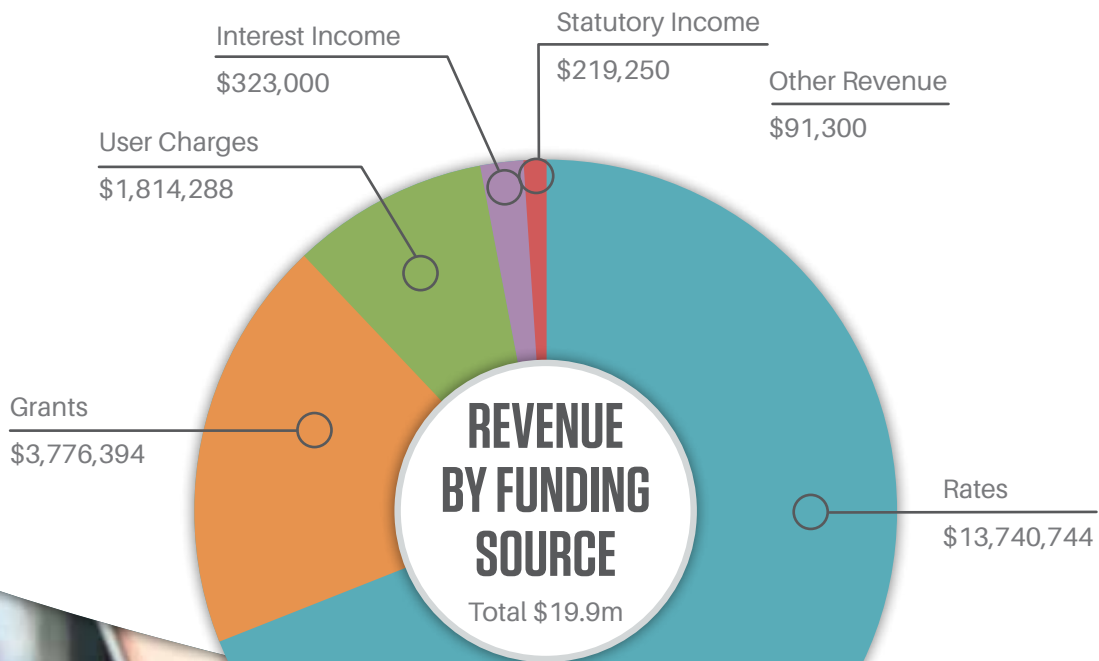
Number of rateable assessments	8,342
Sealed Roads	645km
Unsealed Roads	70km
Pathways	15km
Registered Dogs	3,755
Recreation Reserves	8
Playgrounds	5
Cemeteries	1

BUDGET AT A GLANCE

Council is forecasting a balanced budget, achieved by drawing on funds from financial reserves. Overall, Council keeps operating expenses constrained in line with the Long Term Financial Plan 2022-2023 to 2031-2032.

Budgeted revenue

Rates continue to be the primary source of funding for Council in 2022-2023. Revenue is budgeted to increase by 14% compared to last year's budget, attributable primarily to an increase within the Wickham area, land will attract a higher increase in rates of 500%. Other increase areas compared to the previous year's budget include investment income and user charges.



Council is increasing investment in its Recreation Reserves.

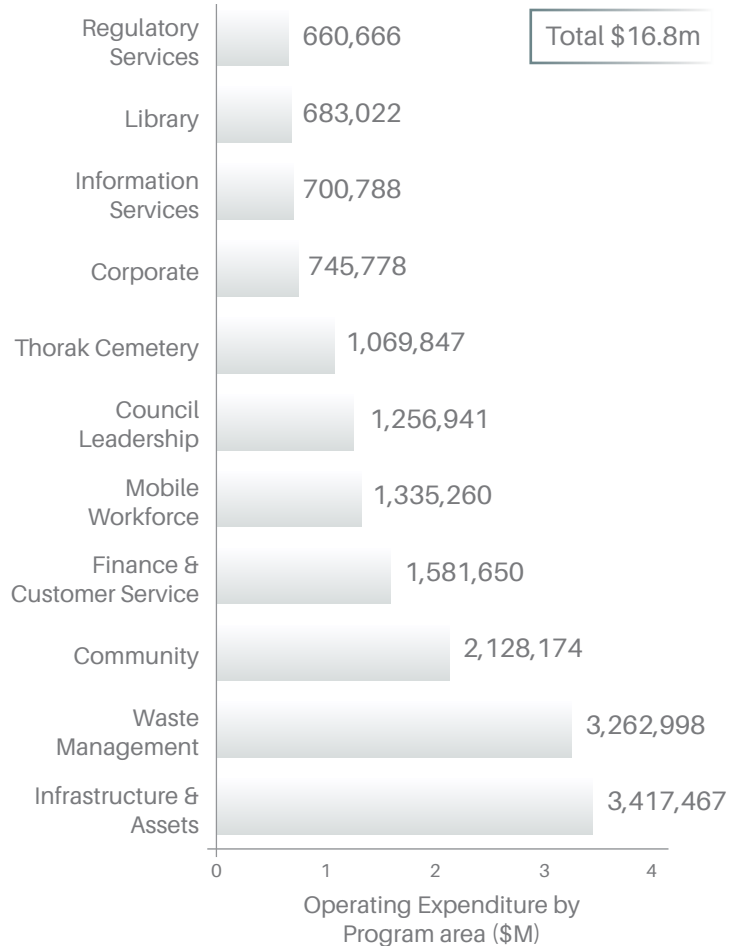
Budgeted operating expenditure

Council has managed to contain expenditure and forecast its operating expenses to increase by only 4% compared to last year's budget, offset by an increase in revenue. Increases related to reserves, additional community facility expenditure, employee costs, increases in insurance, and major maintenance items.

Waste Management and Infrastructure and Assets remain the most significant cost centres for Council. Investment in these areas enables Council to operate its three waste transfer stations for residents and commercial users and deliver quality roads across the community.

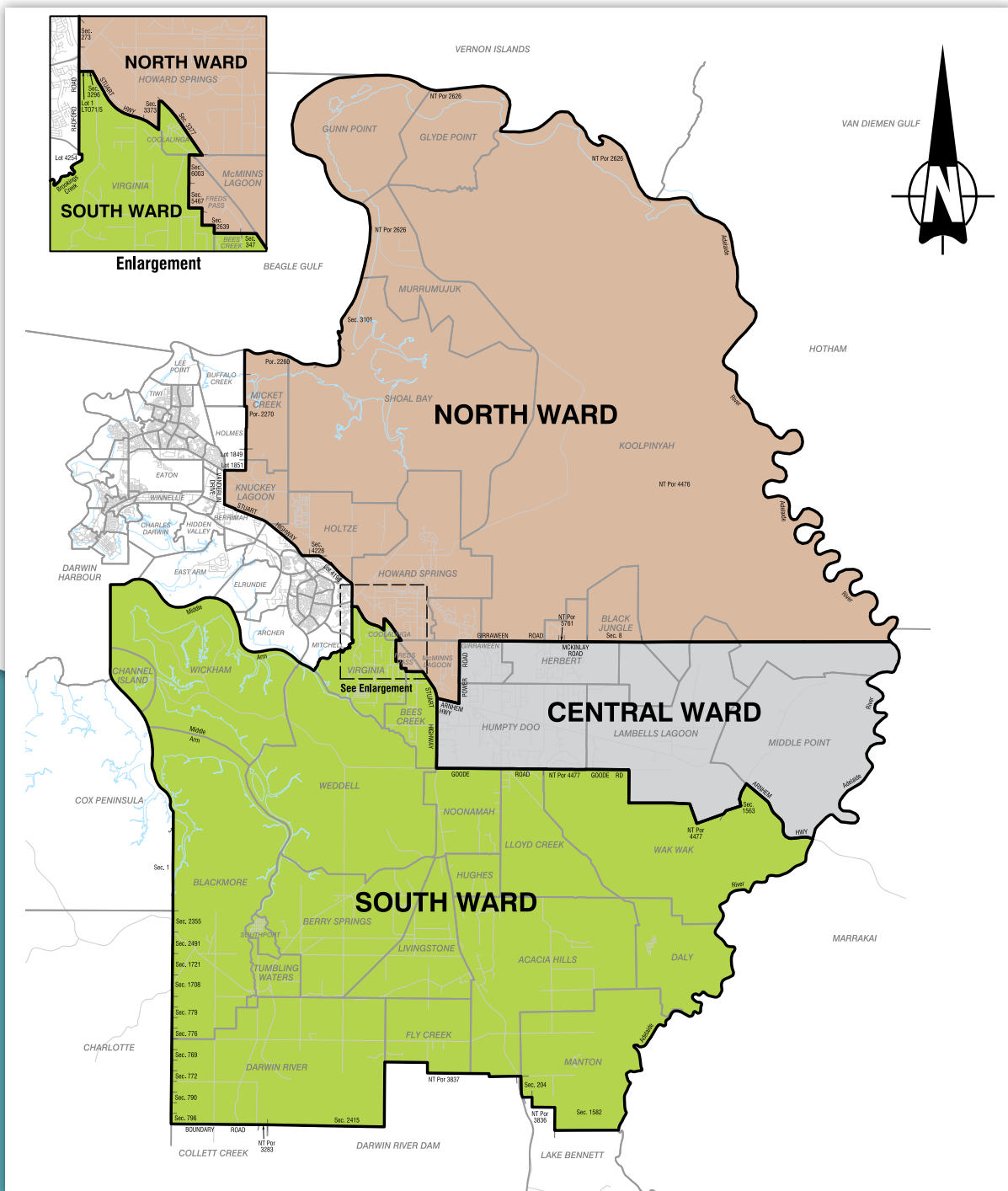
Increases in the Community cost centre bring this budget above \$2 million in 2023. Council is increasing investment in its Recreation Reserves and our organisational partners in this area. Council's budget continues to include library services. Expenditure on library services in 2022-2023 is budgeted at \$683,022, which includes \$244,000 for community facilities. In addition, Council continues to receive an annual Northern Territory Government grant to support this service.

OPERATING EXPENDITURE BY PROGRAM AREA



YOUR COUNCIL

Council consists of the Mayor and six Councillors who were elected in August 2021 for a four-year term expiring in August 2025. There are three electoral wards being Central, North and South. Each ward is represented by two Councillors. The Deputy Mayor is appointed, by Council resolution, for a period of eight months.



This Council is dedicated
to listening to our
community...

MAYOR



"It is important for Council to keep within budget and continue to successfully apply for grants in order to improve our services and facilities."

Doug Barden
0429 875 390
doug.barden@litchfield.nt.gov.au

NORTH WARD COUNCILLORS



"My commitment to the rural area is genuine and passionate. I am willing to be a strong voice for us all. I look forward to being a great asset to Council and our community."

Rachael Wright
0455 660 002
rachael.wright@litchfield.nt.gov.au



"I believe in maintaining our rural lifestyle, which means living within our means, getting good value for money, but importantly, listening to our community."

Mathew Salter
0408 093 838
mathew.salter@litchfield.nt.gov.au

CENTRAL WARD COUNCILLORS



"My primary focus for Council is ensuring good decisions are made by Council to keep Litchfield and the rural areas a great place to live with a focus on the community."

Andrew Mackay
0447 058 877
andrew.mackay@litchfield.nt.gov.au



"I want our Elected Members to be more open, transparent, and accountable. I want to find efficiencies to reduce costs and minimise rate increases where possible."

Kevin Harlan
0429 552 467
kevin.harlan@litchfield.nt.gov.au

SOUTH WARD COUNCILLORS



"My main focus for my tenure on Council is to be the conduit between local government and the rural people to help promote, sustain, and enjoy the rural lifestyle."

Emma Sharp
0429 270 227
emma.sharp@litchfield.nt.gov.au



"I was elected on a platform of greater transparency, more consultation with constituents and re-focusing Council's direction back to providing core services at the lowest possible cost. I am passionate about the community and am a great believer in keeping rural rural."

Mark Sidey
0407 007 558
mark.sidey@litchfield.nt.gov.au

LITCHFIELD COUNCIL INTEGRATED STRATEGIC PLANNING AND REPORTING FRAMEWORK





COUNCIL PLANS AND STRATEGIES

Council plans articulate the goals and outcomes against which Council will be measured and explains, at an in-depth level, how it will achieve them. Council has the following plans:



- Strategic Plan
- Financial Management Strategy and Long Term Financial Plan 2022-2023 to 2031-2032
- Asset Management Plans
- Waste Strategy
- Sport, Recreation and Open Space Strategy
- Animal Management Plan
- Advocacy Strategy
- Community Engagement Strategy and Action Plan
- Customer Service Charter
- Tourism and Events Strategy and Action Plan
- Social Media Activation Strategy and Action Plan

Further information can be found on Litchfield Council website via [Plans and Publications | Litchfield Council \(nt.gov.au\)](#)

STRATEGIC ADVOCACY FOCUS

Council will continue to advocate to the Northern Territory Government and Australian Government on behalf of the Litchfield community.

Of particular focus in 2022-2023 are the following priority projects.

PROPOSED DEVELOPMENT OF HOLTZE, KOWANDI AND VIRGINIA WEST

The Northern Territory Government has commenced a three-stage planning process to shape the growth of area surrounding Palmerston. This includes the development and expansion of suburbs in Holtze, Kowandi and Virginia West which are in the Litchfield Municipality.

Council supports developments in these areas provided they are in-line with the rural amenity and rural lifestyle. Council will be working with all of the relevant authorities to keep this area Litchfield.

FREDS PASS SPORTS AND RECREATION RESERVE FUNDING

The Fred's Pass Sport and Recreation Reserve caters for 10,000 users per week and requires consistent Government investment of \$5 million per year over a four-year period to upgrade facilities. New sporting facilities are required, particularly for additional sports such as tennis, netball and basketball.

MANGO ROADS

The jointly funded \$21 million Phase 1 Mango Strategic Roads project is getting closer to finalisation with three of the four roads complete and the final works anticipated to be finalised mid-2022. This project is important for the economic prosperity of our region and the safety of the mango industry. Council is developing a business case to assist in lobbying for Northern Territory and Australian Government investment in Phase 2.





COMMUNITY BUILDING

The NT Government Litchfield Subregional Land Use Plan 2015 outlined the need for additional social infrastructure including a community centre. Strategic planning by the NT Government and Council has identified the need for many services and public spaces that can support local community groups, small businesses and service providers.

Additional projects that are important to Council

The Taminmin Community Library

Assistance from the Northern Territory Government is sought to relocate the library to a more accessible location that would provide increased accessibility and safe community spaces for young people and families and meet the Australian Library and Information Association standards for size and accessibility.

Regional Waste Management

Council is working with other Top end Council's as part of the Top End Regional Organisation of Council's (TOPROC) and the NT Government on the establishment of a Regional Waste Management Facility, including an emergency waste facility.

Private Roads maintenance

Addressing outcomes from legacy subdivision approvals.

Water Security

Sustainable economic and environmental management.

NEW INITIATIVES

Each year Council delivers new initiatives to ensure continuous improvements in how it delivers services. All initiatives contribute to achieving Council’s strategic priorities.

The following table presents the new initiatives to be undertaken in the 2022-2023 financial year.

Initiative	Description	Amount
Roadside upgrades to allow for recreational fishing	Feasibility study for opportunities to upgrade identified roadside areas, popular for recreational fishing.	\$40,000
Agistment of Council controlled land	Business case to investigate opportunities to agist livestock on Council land with a focus on weed management, specifically Gamba Grass.	\$50,000
Signature event	Investigate options for identifying a signature event and delivering the event in Litchfield that will compliment and not compete with existing events.	\$80,000
Council roads on Northern Territory Government and private land	Pilot study to negotiate the ownership of private roads owned by the Northern Territory Government to assist Council in decision making and maintenance or upgrade of these roads.	\$30,000
Total		\$200,000



PROGRAM PROFILES

Council Leadership

Provides strategic leadership, good governance, advocacy and decision-making to achieve corporate outcomes.

Community and Lifestyle

Corporate Communications Advises on and delivers community engagement activities, media management and corporate communications.

Community Development Supports and resources recreation reserves management committees to provide fit-for-purpose sport and recreational facilities.

Develops inspection regimes and maintenance programs for playgrounds and trees on recreation reserves. Manages Council's Community grants Scheme and supports community events and programs.

Library Services Provides public library services that promote lifelong learning, community connectedness and childhood development through collection development, program delivery and promotion of services.

Regulatory services Administers and enforces Council's Dog Management By-Laws. Promotes and supports responsible dog ownership through public education and initiatives. Provides information to help manage and control feral dogs. Manages abandoned vehicles.

Infrastructure and Operations

Infrastructure and Assets Plans, delivers and manages Council's road network and other infrastructure to ensure the social, cultural and economic success of the Litchfield municipality.

Mobile Workforce Provides an effective and efficient maintenance service, including weed and bushfire management for Council's road verges, drainage easements, signs, reserves, excised lands and Council facilities.

Planning and Development Reviews and provides comment on all regional plans, policies, development proposals, and planning applications relevant to the Litchfield municipality. Administers future Council assets, works permits, and proposals for road openings and closures.

Thorak Regional Cemetery Operate the Thorak Regional Cemetery and Crematorium for the Top End efficiently and effectively in accordance with approved plans, the Northern Territory Cemeteries Act 1952, Cemeteries Regulations, Council policies and community expectations.

Waste Management Provides an environmentally sustainable, safe and cost-effective waste management system through Council's waste transfer stations and recycling operations.

Business Excellence

Human Resources and Work Health Safety Manages the workplace health and safety system and a range of operational, advisory and strategic human resource services that meet statutory requirements and enables Council to attract, develop and retain great staff.

Finance and Customer Service Provides financial services to help Council make informed decisions and allocate resources efficiently and effectively in the short and long term, while ensuring Council meets its objectives and all statutory and regulatory obligations.

Provides timely and quality front counter customer services for residents and visitors and manages rates records in accordance with policy and legislative requirements.

Governance and Risk Provides and supports best practice governance, statutory compliance, records and risk management for Council.

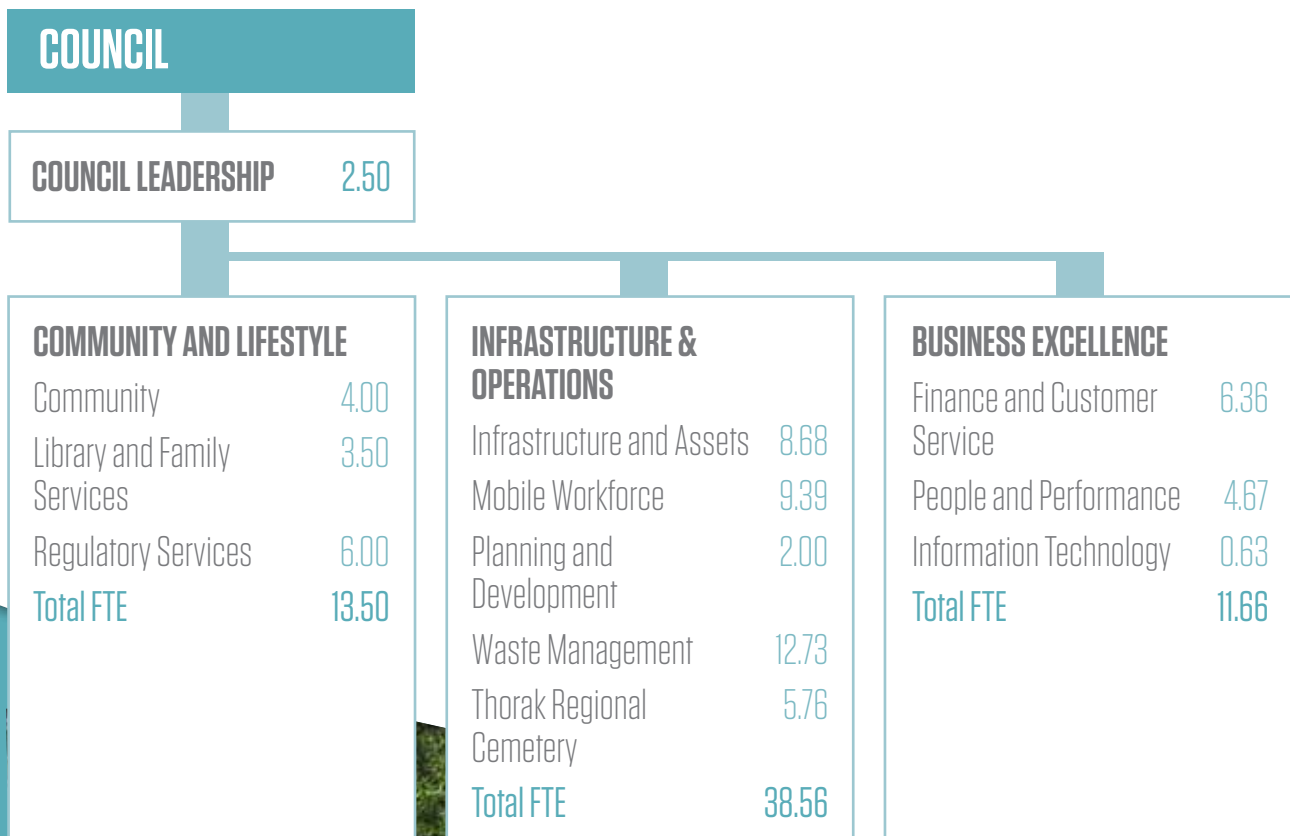
Information Services Manages Council's information and communications systems to ensure alignment with business needs and excellent customer service.

OUR PEOPLE

Litchfield Council is dedicated to attracting and retaining a diverse and talented workforce by offering competitive remuneration and fostering an empowering and innovative culture.

The Staffing Plan for 2022-2023 allows for 66.22 full-time equivalent staff across four departments. This is an increase of 1.4 FTE compared to 2021-2022. The increase includes .5 FTE to create a new Sports and Recreation Officer position with the remaining amount being the casual Library Services Officers positions. Council's Enterprise Agreement 2020 provides employees with benefits and conditions including an annual pay increase of 1% or CPI capped at 2% whichever is greater.

ORGANISATION CHART





2022-2023 BUDGET BY DEPARTMENT PROFILE

PROGRAM	Operational Revenue\$	Operational Expense\$	Operational Surplus \$	Capital Income\$	Capital Expense\$	Capital Deficit \$
Council Leadership	-	1,256,941	(1,256,941)	-	-	-
Corporate	-	745,778	(745,778)	-	-	-
Information Services	-	700,788	(700,788)	-	-	-
Finance and Customer Service	11,532,688	1,581,650	9,951,038	-	-	-
Infrastructure and Assets	2,937,012	3,417,467	(480,455)	1,733,429	6,179,429	(4,446,000)
Waste Management	3,308,035	3,262,998	45,036	-	35,000	(35,000)
Community	113,700	2,128,174	(2,014,474)	-	120,000	(120,000)
Library	407,392	683,022	(275,630)	-	-	-
Mobile Workforce	-	1,335,260	(1,335,260)	-	-	-
Regulatory Services	219,750	660,666	(440,916)	-	-	-
Thorak Regional Cemetery	1,446,400	1,069,847	376,553	-	83,000	(83,000)
TOTAL	19,964,977	16,842,592	3,122,385	1,733,429	6,417,429	(4,684,000)

2022-2023 ANNUAL BUDGET

OPERATING REVENUE INCREASED 14%

Council's operational revenue is forecast to increase by 14%. This reflects the overall rates increase for residential properties of 3% or \$0.55 per week. Within the Wickham area, land will attract a higher increase in rates of 500% if it is zoned FD or DV. In addition, waste charges increase by 3% or \$0.22 per week, and fees and charges increase by 5% overall. There are minor increases in investment income as markets normalise after COVID-19 and interest rates rise.

CAPITAL REVENUE REMAINS STABLE

The capital revenue for 2022-2023 includes Blackspot and Roads to Recovery. Whilst Local Roads and Community Infrastructure Program Funding phase three is likely. This income has not been incorporated into the budget as funding has not yet been awarded. Council continues to advocate strongly for grant funding, focusing on renewal rather than new infrastructure.

OPERATIONAL EXPENDITURE INCREASED 4%

Council has managed to contain expenditure and forecast its operating expenses to increase by only 4% compared to last year's budget, offset by an increase in revenue. Increases relate to reserves, additional community facility expenditure, employee costs, increases in insurance, and major maintenance items.

FINANCIAL RESERVES DECREASE BY 11.6%

Council will draw down \$1.5 million from the Asset Reserve to fund the capital works program. While overall transfers from reserves have decreased compared to 2021-2022, continued reliance on financial reserves reflects a need for Council to raise additional revenue to support a sustainable capital works program.

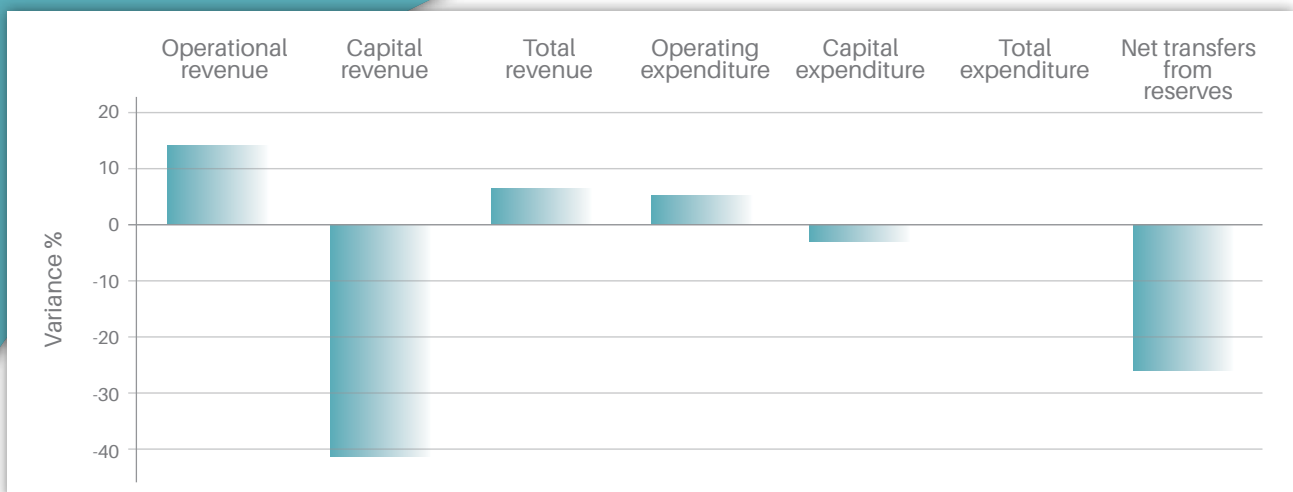
CAPITAL EXPENDITURE DECREASED 3%

The 2022-2023 budget includes \$3.9 million in capital renewal projects, reflecting an asset sustainability ratio of 43%. This is well below both Council’s target of 60% and best practice of 90%, highlighting Council’s inability to fund a sustainable capital program with the current level of revenue. Council is currently assessing depreciation expense as part of a financial asset revaluation exercise utilising actual asset conditions and anticipates a reduction in depreciation over the next two years as this project is completed.

The \$2.5 million new and upgraded capital investment includes \$1.25 million for sealing gravel roads. Currently, the capital works program does not include Local Roads and Community Infrastructure Program Funding phase three, which will be included as additional capital works once awarded. Council is forecast to receive \$2.3 million in Local Roads and Community Infrastructure Program Funding from the Commonwealth Government into the 2022-2023 capital works program.

ANNUAL BUDGET SUMMARY

	Budget		Variance
	2021-2022 \$	2022-2023 \$	
Operational revenue	17,542,519	19,964,977	14%
Capital revenue	2,949,084	1,733,429	-41%
Total revenue	20,491,603	21,698,406	6%
Operating expenditure	16,117,952	16,842,592	4%
Capital expenditure	6,593,070	6,417,429	-3%
Total expenditure	22,711,022	23,260,021	0
Net transfers from reserves	(2,219,419)	(1,561,615)	-30%



RATING STRATEGY

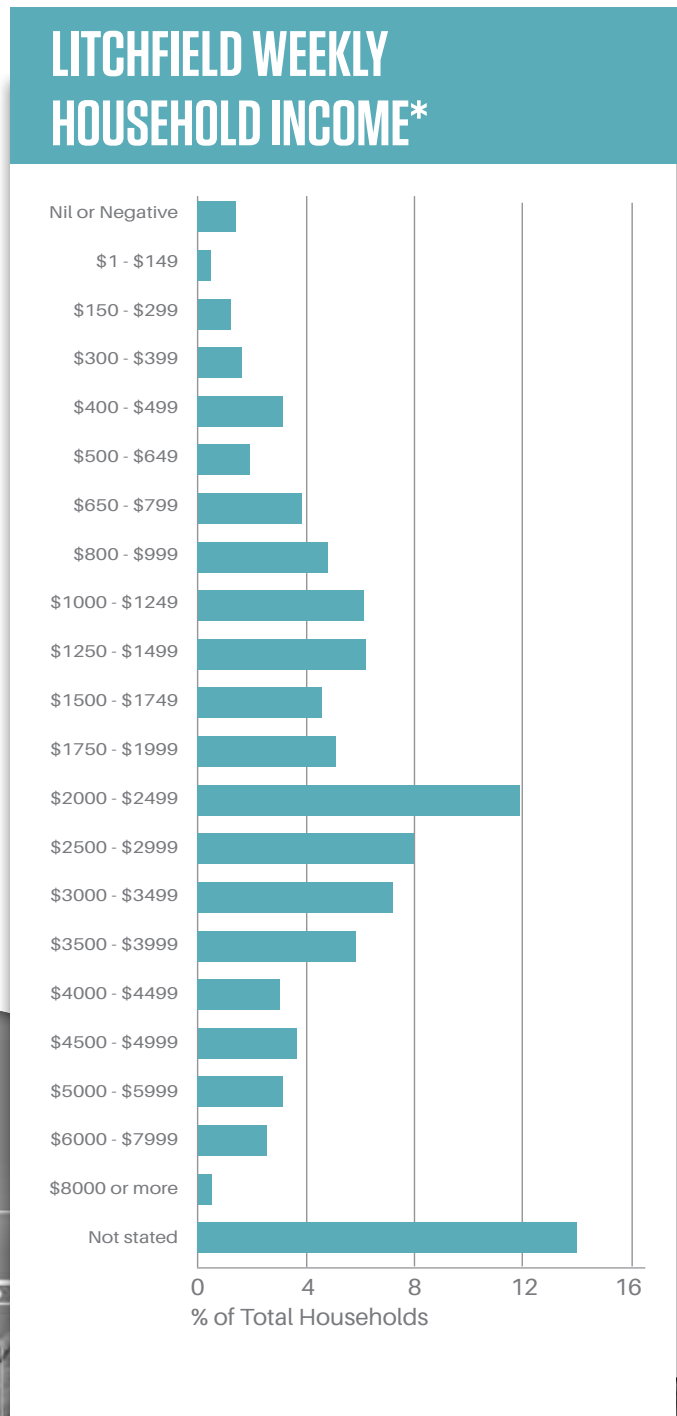
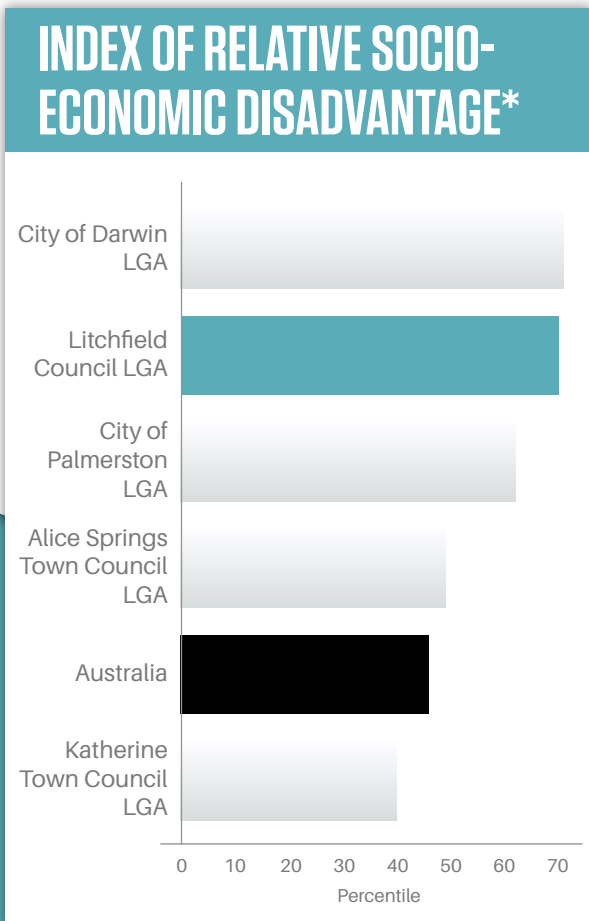
SOCIAL AND ECONOMIC IMPACT STATEMENT OF RATING STRATEGY

Council has been guided by its Long Term Financial Plan, Strategic Plan and Litchfield’s demographic and economic data when setting rates and charges for the 2022–2023 financial year.

Council’s goal is to ensure there are enough funds to maintain and renew assets to meet increasing demand for community infrastructure and services. As part of this process, Council considers the financial capacity of its ratepayers.

The following data informed Council’s Decision.

Litchfield Household Data*	
Median weekly household income	\$2,109
Households with a mortgage	40%
Median Weekly mortgage repayment	\$578
Households renting	17%
Median weekly rent	\$401



* Australian Bureau of Statistics, Census of Population and Housing 2016. Compiled by profile.id



PRINCIPLES OF THE RATING POLICY FINO2

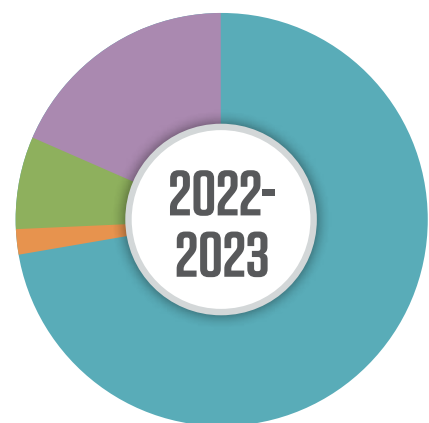
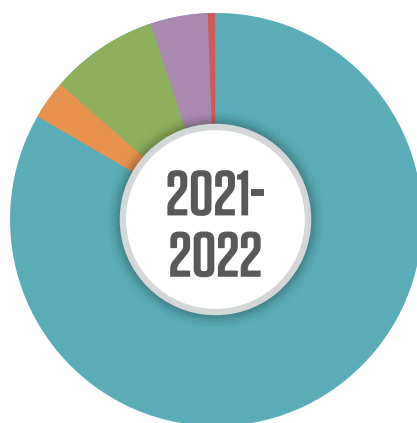
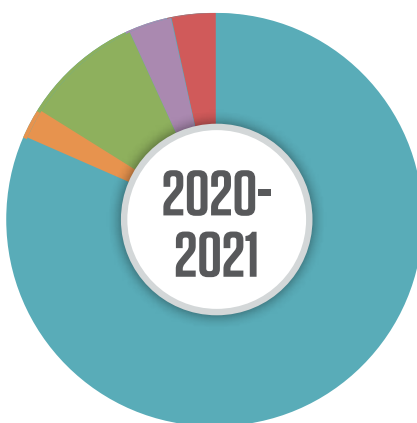
The Rating Policy FINO2 applies the principles of administrative simplicity, policy consistency and equality.

A flat rate remains for urban residential, rural residential and horticultural/agricultural rateable properties.

As allowed for in the *Local Government Act 2019*, Council will use the unimproved capital value (UCV) to calculate rates for the commercial and within the Wickham area, land zoned FD or DV in 2022-2023. The NT Valuer-General sets the UCV of land. The relevant Northern Territory Government minister sets rates for mining tenements and pastoral leases.

RATE REVENUE

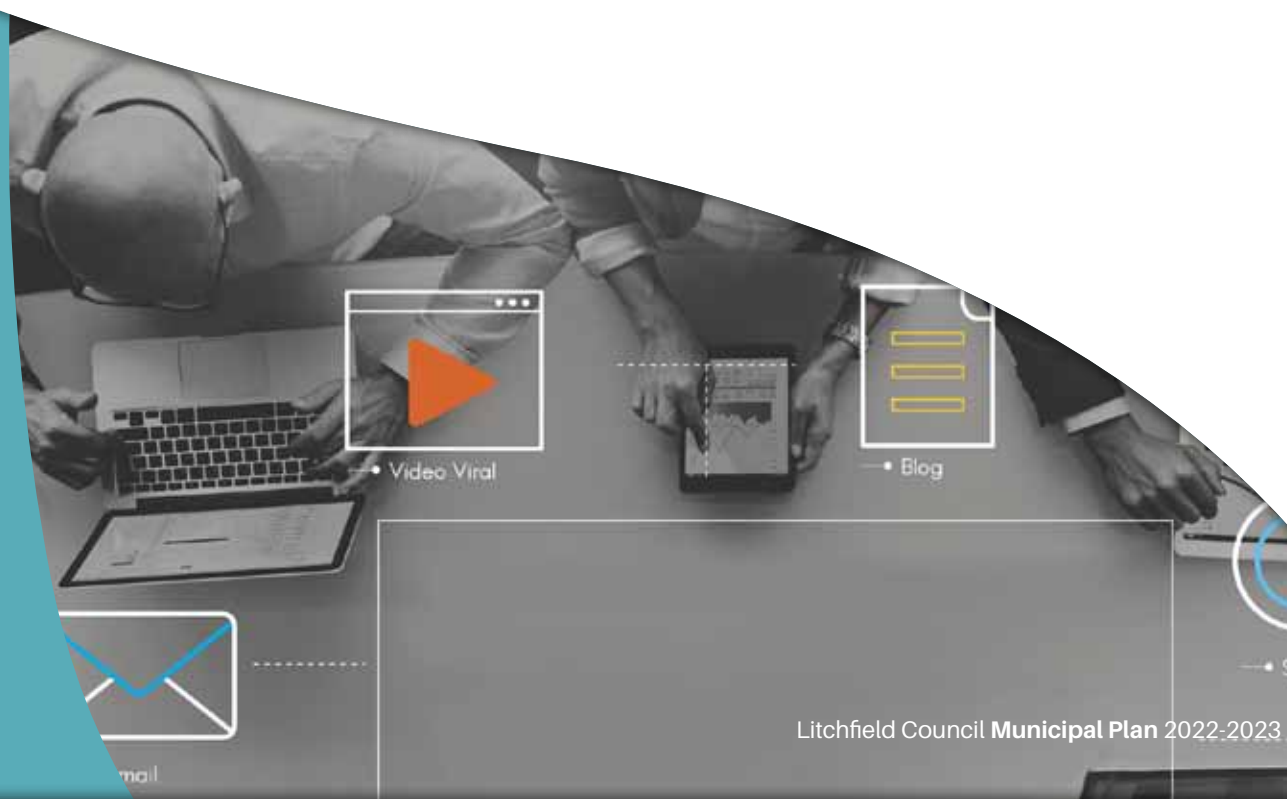
	Budget \$ 2020-2021	Budget \$ 2021-2022	Budget \$ 2022-2023
Residential rate	6,900,977	7,283,817	7,623,067
Horticulture / Agriculture	193,125	265,784	195,288
Commercial and Industrial rates	793,928	743,055	769,029
Wickham	280,286	385,808	1,953,372
Special Rates	297,024	63,349	-
Total	8,465,340	8,741,813	10,540,756



RATING STRUCTURE

Rating category (in line with Policy FIN02)	Planning Zones	No. of properties	Rate 2021-2022	Rate 2022-2023
Fixed Rates				
Residential	R; RR; RL; WM; CN; SL14; SL18; FD; SD; MD; MR; SL11	7,807	\$948	\$976.44
Horticulture/Agriculture	H; A	200	\$948	\$976.44
Valuation- Based				
Allotments of Commercial/ Industrial Land	C; CP; CV; DV; GI; LI; OR; PS; RW; SC; SL1; SL1; SL3; SL4; SL5; SL6; SL7; SL8; SL9; SL10; SL12; SL13; SL15; SL17; SL23	264	0.2777554% Min Charge \$1,695.75	0.285881% Min Charge \$1,746.62
Wickham	FD or DV	3	1.400739%	8.404434%
Mining Tenements	As set by the Minister	64	0.3475% Min Charge \$890.96	0.4726% Min Charge \$1,211.71
Pastoral Lease	As set by the Minister	4	0.0306% Min Charge \$376.45	0.0416% Min Charge \$511.97
Total Number of Rateable Properties		8,342		

Charge				
Waste Charge		8,048	\$380	\$391.40



RECREATION RESERVES FUNDING SUPPORT

Council has eight recreation reserves across the municipality.

Council supports five reserves by providing operational funding to independent associations to maintain facilities and provide a range of activities. The other three recreation reserves are directly managed under a budget set by Council.

Operating Contribution to Recreation Reserve

Reserve	2021-2022	2022-2023	Increase	
	Adopted Budget \$	Budget (New/Future) \$	\$	%
Berry Springs Reserve	57,398	61,416	4,018	7%
Freds Pass Reserve	652,245	965,245	313,000	48%
Howard Park Reserve	124,000	126,480	2,480	2%
Humpty Doo Village Green	98,313	100,279	1,966	2%
Knuckey Lagoon Reserve	27,645	28,198	553	2%
Livingstone Reserve	50,092	53,598	3,506	7%
McMinns Lagoon Reserve	15,654	23,481	7,827	50%
Mira Square	10,000	10,700	700	7%

In addition to the reserves operational funding, a tree and playground maintenance budget is allocated for Council to maintain these services.

Tree and Playground Maintenance

Reserve	2021-2022	2022-2023	Increase	
	Adopted Budget \$	Budget (New/Future) \$	\$	%
Berry Springs Reserve	10,600	13,600	3,000	28%
Freds Pass Reserve	60,600	60,600	-	0%
Howard Park Reserve	10,000	10,000	-	0%
Humpty Doo Village Green	20,600	23,600	3,000	15%
Knuckey Lagoon Reserve	10,000	10,000	-	0%
Livingstone Reserve	10,600	13,600	3,000	28%
McMinns Lagoon Reserve	10,000	10,000	-	0%
Mira Square	10,000	10,000	-	0%
Total	142,400	151,400		

SPONSORSHIP, GRANTS AND OPERATING SUBSIDIES

The Community Grants Scheme was launched in 2017 in line with the Grants, Donations and Sponsorship Policy FIN07.

The scheme provides a framework for delivering grant funding to the community with clear links to achieving the Strategic Plan 2022-2025 outcomes and Council's vision to be the best place to live in the Top End. The funding supports community groups and organisations to run events, facilities and programs that provide opportunities to connect and to enrich life in local communities. The scheme is 100% funded through money made from recycling of bottles, cans and batteries collected at Council's Waste Transfer Stations.



GRANTS AND DONATIONS

Grants/Donations/ Community Support	2021-2022 Amount \$	2022-2023 Amount \$
TOTAL	130,340	130,000

COUNCIL CONTINUES TO SUPPORT THE FOLLOWING:

- Litchfield Women in Business
- Freds Pass Rural Show
- Community Grants Scheme
- Sponsorships Paid
- Anzac Day Activities
- Australia Day Activities
- Youth Week Forum
- Annual Art Exhibition
- Palmerston and Litchfield Seniors Association





ELECTED MEMBERS ALLOWANCES

In accordance with Section 108 of the *Local Government Act 2019*, Elected Members' allowances are set annually by Council, guided by a Ministerial Guideline setting maximum allowances payable. There has been no increase in Elected Member allowances for 2022-2023.

Allowance Type	Amount \$		
	Mayor	Deputy Mayor	Councillor
Annual Base allowance	75,116.61	27,776.12	13,509.96
Annual Electoral allowance	19,771.29	4,943.73	4,943.73
Extra meeting allowance	-	-	9,006.64
Professional development allowance	3,753.17	3,753.17	3,753.17
Total Maximum Claimable	98,641.07	36,473.02	31,213.50

ANALYSIS OF THE OPERATING BUDGET

OPERATING REVENUE BY DEPARTMENT

Overall, operating revenue for the 2022-2023 financial year is forecast to increase by \$2,422,458 (14%) compared to the 2021-2022 budget.

Rates have been calculated using fixed rates and rates based on unimproved capital value. Rates increase for residential properties by 3% or \$0.55 per week, and within the Wickham area, land attracting a higher increase in rates of 500% if it is zoned FD or DV.

The waste charges increase by 3% or \$0.22 per week.

Department	2021/22 \$	2022/23 \$	Variance \$
Finance & Customer Service	9,561,134	11,532,688	1,971,554
Infrastructure & Assets	2,980,594	2,937,012	(43,582)
Waste Management	3,263,000	3,308,035	45,035
Community	88,000	113,700	25,700
Library	442,712	407,392	(35,320)
Regulatory Services	189,500	219,750	30,250
Thorak Regional Cemetery	1,017,579	1,446,400	428,821
Total Revenue	17,542,519	19,964,977	2,422,458



...operating revenue is
forecast to increase by 14%...

...operating expenses is
forecast to increase by 4%...

FEES AND CHARGES BY DEPARTMENT

Department	2022-2023 Budget \$
Regulatory Services	219,250
Library	2,500
Thorak Regional Cemetery	1,413,100
Finance & Customer Service	46,000
Community	42,000
Waste Management	98,047
Infrastructure & Assets	138,241
Total	1,959,138

<https://litchfield.nt.gov.au/your-council/council-rates-and-fees/fees-and-charges>

OPERATING EXPENSES BY DEPARTMENT

Council has forecast its operating expenses to increase by 4%, offset by an increase in revenue. Increases related to reserves, additional community facility expenditure, employee costs, increases in insurance, and major maintenance items.

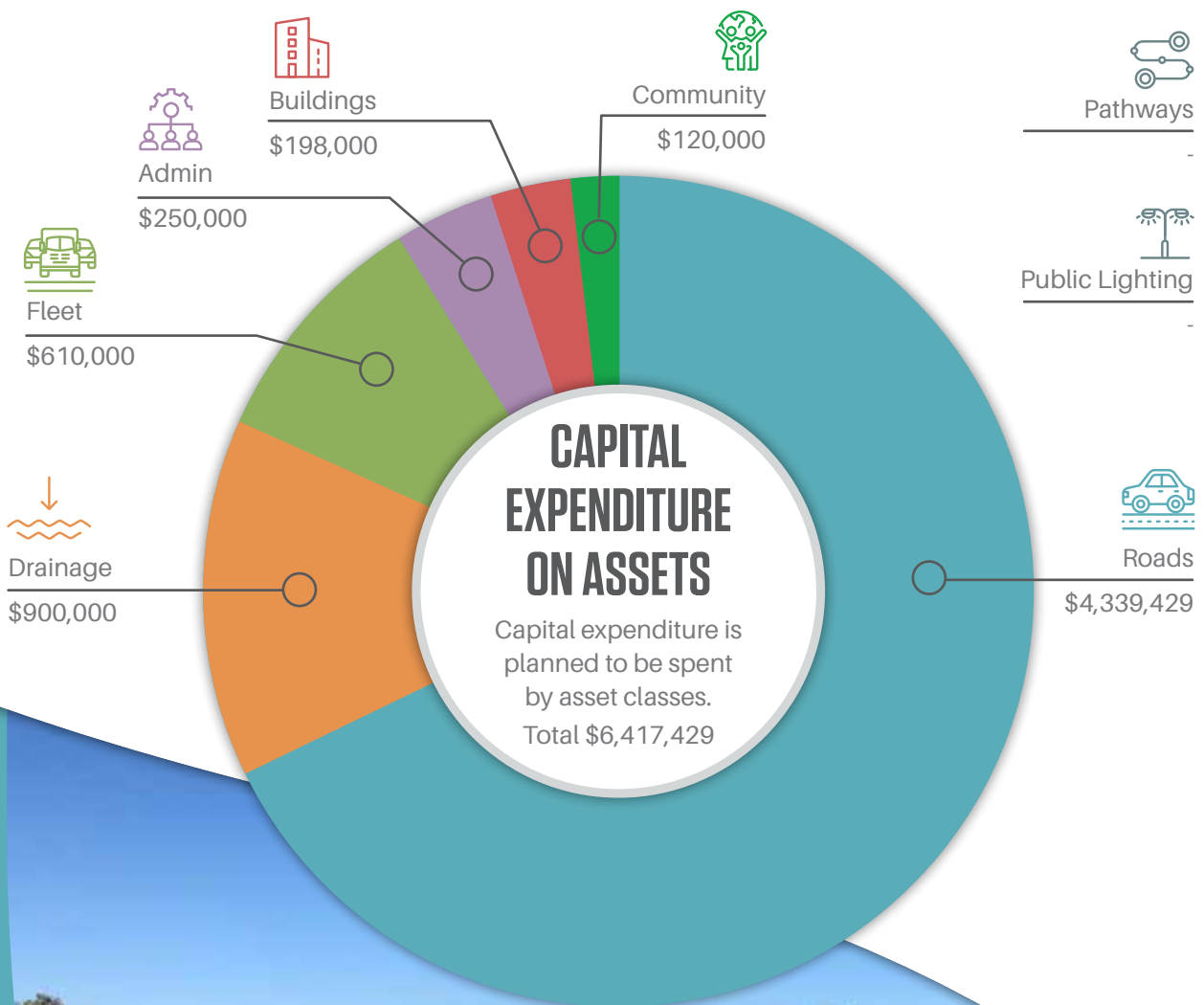
Department	2021-2022 \$	2022-2023 \$	Variance \$
Council Leadership	1,327,210	1,256,941	-70,269
Corporate	687,754	745,778	58,024
Information Services	690,239	700,788	10,549
Finance & Customer Service	1,472,619	1,581,650	109,031
Infrastructure & Assets	3,831,661	3,417,467	-414,194
Waste Management	3,246,634	3,262,998	16,364
Community	1,539,546	2,128,174	588,628
Library	442,712	683,022	240,310
Mobile Workforce	1,328,714	1,335,260	6,546
Regulatory Services	591,802	660,666	68,864
Thorak Cemetery	959,061	1,069,847	110,786
Total Expenses	16,117,952	16,842,592	724,640

ANALYSIS OF THE CAPITAL BUDGET

Capital works to improve or replace existing assets or create new assets for Council.

Due to the council's income not funding capital expenditure, the Council is heavily reliant on grant funding, and funds are drawn from the Asset Reserve to fund capital works. As part of the Long Term Financial Plan, Council transfers funds from the Asset Reserve to deliver the capital works.

In 2022-2023 Council expects to draw down \$1.2 million from the Asset Reserve to partly fund the capital works program of \$6.4 million.



CAPITAL EXPENDITURE BY DEPARTMENT

PROGRAMS	COSTS \$
Infrastructure & Assets	
Road Seal Renewal	1,000,000
Gravel Road Sealing	1,250,000
Plant/Vehicle Replacement	610,000
Pavement Renewal	533,429
Road Safety Upgrades	500,000
Drainage Upgrade - Floodways	350,000
Drainage Upgrade - Flood Mitigation	350,000
Gravel Surface Renewal	300,000
Forward Design of Road Projects	250,000
Road Safety - Intersection Upgrades	250,000
Capitalisation of Salaries	306,000
Drainage Renewal	200,000
Road Safety Upgrades - (other)	100,000
Road Safety Upgrades - Shoulder Widening	100,000
Council Administration Building Renewal	80,000
TOTAL	6,179,429
Waste Management	
Waste Transfer Station Renewal	35,000
TOTAL	35,000
Community	
Freds Pass Reserve Asset Renewal	40,000
Reserves Asset Renewal	40,000
Reserve Building Renewal & Compliance	40,000
TOTAL	120,000
Thorak Cemetery	
Thorak Cemetery Asset Renewal	83,000
TOTAL	83,000
Grand Total	6,417,429

BUDGETED STATEMENT OF COMPREHENSIVE INCOME

This statement provides a detailed summary of Council's income and operating expenses, including depreciation. The operating deficit illustrates Council's overall financial performance, and its inability to fund the consumption of assets.

	Actuals 2020-2021 \$'000's	Budget 2021-2022 \$'000's	Budget 2022-2023 \$'000's
Income			
Rates	10,939	11,720	13,741
Statutory Charges	133	189	219
User Charges	1,897	1,289	1,814
Investment Income	429	250	323
Reimbursements	2	-	-
Other Revenue	314	486	91
Grants subsidies and Contributions-Other	6,280	3,609	3,776
Total Income	19,994	17,543	19,965
Expenses			
Employee Costs	6,553	7,218	7,542
Materials, Contracts and Other expenses	7,597	8,899	9,300
Depreciation, amortisation and impairment	13,669	13,660	8,390
Total Expenses	27,819	29,778	25,234
Operating Deficit	(7,825)	(12,236)	(5,267)
Net gain (loss) on disposal or revaluation of assets	(1)	-	-
Amounts received specifically for new or upgraded assets	1,720	2,949	1,733
Physical resources received free of charge	-	3,650	-
Net Deficit	(6,106)	(5,637)	(3,536)

BUDGETED STATEMENT OF FINANCIAL POSITION

This statement provides an estimate of the assets Council will own and the liabilities Council will have as at 30 June 2023.

	Actuals 2020-2021 \$'000's	Budget 2021-2022 \$'000's	Budget 2022-2023 \$'000's
Assets			
Current Assets			
Cash and Cash equivalents	23,823	15,974	12,616
Trade and Other receivables	2,953	3,233	5,145
Other Financial assets	-	-	-
Total Current assets	26,776	19,207	17,761
Non-current Assets			
Infrastructure, property, Plant and equipment	295,499	314,143	311,427
Other non-current assets	5,457	-	743
Total non-current assets	300,956	314,143	312,170
Total Assets	327,732	333,350	329,931
Liabilities			
Current Liabilities			
Trade and Other Payables	5,834	5,346	5,461
Borrowings	14	-	-
Provisions	646	635	636
Total Current Liabilities	6,494	5,981	6,097
Non-current Assets			
Provisions	348	453	454
Total Non-current Liabilities	348	453	454
Total Liabilities	6,842	6,434	6,551
Net Asset	320,890	326,916	323,380
Equity			
Accumulated surplus	6,586	19,421	17,414
Asset revaluation reserve	294,302	294,302	294,302
Other Reserve	20,002	13,193	11,664
Total Equity	320,890	326,916	323,380

BUDGETED STATEMENT OF CASH FLOW

This statement provides a summary of the flow of cash and insight into where Council receives and spends its cash.

	Actuals 2020-2021 \$'000's	Budget 2021-2022 \$'000's	Budget 2022-2023 \$'000's
Cash flows from operating activities			
Receipts			
Rates - general and other	11,060	11,398	12,062
Fees and other charges	2,176	1,799	1,971
Investment receipts	429	453	323
Grants used for operating purposes	6,217	3,609	3,661
Other operating receipts	1,381	411	89
Payments			
Employee costs	(6,903)	(7,218)	(7,529)
Contractual services and materials	(7,210)	(8,899)	(9,198)
Other operating payments			
Net cash provided by operating activities	7,150	1,553	1,379
Cash flows from investing activities			
Receipts			
Amounts specifically for new or upgraded assets	1,365	2,949	1,680
Sale of Replace assets	179	-	-
Net disposal of investment securities	-	-	-
Payments			
Expenditure on renewal/replacement of assets	(9,071)	(6,593)	(6,417)
Net Purchase of investment securities	2,161	-	-
Net cash used in investing activities	(5,366)	(3,644)	(4,737)
Cash flows from financing activities			
Receipts			
Proceeds from Bonds & Deposits	454	-	-
Payments			
Repayment of Principal Portion of Lease Liabilities and Bonds & Deposits	(157)	-	-
Net cash used in financing activities	297	-	-
Net Increase in cash held	2,081	(2,091)	(3,358)
Cash and cash equivalents at beginning of period	1,803	18,065	15,974
Cash and cash equivalents at end of period	23,823	15,974	12,616

...financial reserves exist to ensure sufficient funds are set aside for specific purposes as they arise.



BUDGETED STATEMENT OF RESERVES

This statement provides a summary of Council's financial reserve balances.

Council's financial reserves exist to ensure sufficient funds are set aside for specific purposes as they arise. Council's Financial Reserves Policy FIN04 describes Council's intentions in using those funds.

In 2022-2023 Council will draw \$1.52 million from financial reserves to fund capital investment. However, Council continues to advocate strongly for grant funding for capital renewals. If successful, less funding from the asset reserve would be required to fund capital investment.

	2021-2022 Budget \$,000	Net Movement \$,000	2022-2023 Budget \$,000
Reserve			
Developer Contribution Reserve	0		0
Unexpended Grants / Contributions	0		0
Unexpended Capital Works	0		0
Total Externally Restricted Reserves	0		0
Internally Restricted			
Asset Reserve	6,774	(1,228)	5,546
Waste Management Reserve	4,590	(230)	4,360
Thorak Regional Cemetery Reserve	683	(25)	658
Election Reserve	46	154	200
Disaster Recovery Reserve	600	(200)	400
Strategic Initiatives Reserve	400		400
ICT Reserve	100		100
Total Internally Restricted Reserves	13,193	(1,529)	11,664
Total Reserves	13,193	(1,529)	11,664

LONG TERM FINANCIAL PLAN

Long Term Financial Plan assumptions

The Litchfield Council Long Term Financial Plan 2022-2023 to 2031-2032 is designed to guide Council's financial sustainability over the next ten years by supporting sound financial decision-making. This year Council has incorporated a Financial Management Strategy document into the Long Term Financial Plan to further consolidate Council's strategy moving forward sustainably.

Sustainability means meeting the community's current needs (eg the community has well-maintained facilities, infrastructure, and services) without compromising the needs of future generations.

Council currently has strong cash reserves and no debt, which provides a good foundation in the short term. In the long term, however, Council faces several interrelated challenges including:

- operating deficits due to depreciation
- high dependency on external funding
- insufficient own-source revenue
- inadequate income to allocate towards maintaining the existing asset base (refer to asset sustainability ratio)

These challenges are not quickly resolved. Without an increase in revenue and creating efficiencies, these challenges will continue to be present and will require a long-term and disciplined approach to allocating financial resources.

...supporting
sound financial
decision-making...



...improving
Litchfield's
financial
sustainability...

The Long Term Financial Plan is based on the following strategies:

- constraining growth in operating costs
- advocate strongly for grants from other levels of government
- allocate unrestricted reserves and grant funding to capital renewal projects until operational income supports investment in new assets
- increase rate income to fund sustainable capital spending.

The combination of these strategies will gradually improve Litchfield's sustainability over time with the key objective of increasing the level of capital expenditure, which is currently inadequate.

Litchfield Council Long Term Financial Plan 2022-2023 to 2031-2032 can be found on the council's website <https://litchfield.nt.gov.au/your-council/governance/plans-and-publications>.

Forecast Annual Increment

	2024	2025	2026-2032
Rates - Residential	5.00%	5.00%	5.00%
Rates - Commercial	5.00%	5.00%	5.00%
Rates - Wickham area, land zoned FD or DV	5.00%	5.00%	5.00%
Waste Increase - No Collection	3.00%	3.00%	3.00%
User Charge	5.00%	5.00%	5.00%
Grants	0.00%	0.00%	0.00%
Employee Cost Index - including superannuation	3.00%	3.00%	3.00%
Materials & Contractors	3.00%	3.00%	3.00%
Overdue rates interest rate	17.00%	17.00%	17.00%
Cash Investment Interest Rate	1.80%	2.00%	2.50%

KEY PERFORMANCE INDICATORS

PEOPLE

KEY OUTPUTS	MEASURES	TARGET	
Community engagement	Community Engagement Strategy and Action Plan 2022-2025 implementation	Year one complete	Manager Communications and Engagement
Council partnership and support grants	Number of partnerships supported	Up by 5% from previous year	
Servicing community needs at reserves	Funding provided to community reserves	Funding agreements established	
Social media management	Increased interaction on Council's Facebook page - page followers	Up by 5%	
Annual Community Grants Program initiatives	Number of community events and programs supported	Up by 5% from previous year	
Community Benefit Fund Income	Income raised through recycling activities including cash for containers	5% annual increase	Manager Operations and Environment
Maximise diversion from landfill	Residential waste tonnage transferred to Shoal Bay	<7000 tonnes	
	Commercial waste tonnage transferred to Shoal Bay	<1000 tonnes	
Responsible dog ownership	Number of registered dogs increased	>10%	Manager Regulatory Services
	Number impounded dogs reclaimed by owner	>70%	
	Number of registered dogs de-sexed	>70%	
Animal Management Plan - Year 4	Attendance at community events	2+ events attended	
	Dog Awareness Program delivered at schools and childcare	6 + visits	
	Dogs Day Out event (or similar) delivered, targeting improved awareness, increase registration, general pet owner education	1 event	
Visitors to the library	Weekly door count	>400	Manager Library and Family Services
Promotion of services	Interaction with Library Facebook page	>1150	
Lifelong learning/engagement	Number of "Funky Chickens" children's book club members	>210	

KEY PERFORMANCE INDICATORS

PROGRESS

KEY OUTPUTS	MEASURES	TARGET	
Recycled materials	Volume of green waste processed for resale	>3,500 cubic metres	Manager Operations and Environment
	Volume of concrete crushed for resale	>500 cubic metres	
Maximise diversion from landfill	Amount of total waste diverted from landfill	>35%	
	Amount of total waste that is dry recyclables	>15%	
	Quantity of scrap metal collected and recycled	>1000 tonnes	
	Quantity of cash for containers collected and recycled	>50 tonnes	
	Quantity of electronics collected for TechCollect	>40 tonnes	
	Quantity of tyres, batteries and oil collected for recycling	>100 tonnes	
Waste Strategy - Year 4	Decommissioning of landfill component of Howard Springs and Berry Springs Waste Transfer Stations	Increase in data collected	
	Amenity upgrades at transfer stations (continues year 5) undertaken	Complete	
Regulatory service	Investigations completed within 30 working days	>90%	Manager Regulatory Services
	Customer requests actioned in less than two working days	>90%	
Library collection	Number of Annual loans	>15,800	Manager Library and Family Services
Program delivery	Programs provided	>180	
Library events	Events delivered	>3	
Awareness of cemetery profile and public awareness of Thorak services	Information leaflets distributed	Complete	Manager Operations and Environment
	Fred's Pass Show Display	Complete	
Efficient maintenance of grounds and open spaces, including improved mowing, planting, weeding and irrigation regimes at Thorak Regional Cemetery	Service level rating from annual community survey	>60%	

KEY PERFORMANCE INDICATORS

PROSPERITY

KEY OUTPUTS	MEASURES	TARGET	
Advocacy submissions to government	Arrange and attend quarterly meetings with relevant ministers on advocacy projects	1 per qtr	CEO
Advocacy Strategy	Current year actions	Completed	
Represent and advocate for the needs of young people in Litchfield	Participation in Palmerston and Rural Youth Services meetings	Maintain an active membership and attend 80% of meetings	Manager Library and Family Services
Australia Day Event	Community participation	Up by 5% from previous year	Manager Communications and Engagement
Annual Art Exhibition	Level of community participation	>60 entries	
Tourism and Events Strategy	Actions implemented	25%	
Submissions to the Northern Territory Government	Comments submitted on applications within required timeframe	>90%	Manager Infrastructure and Assets

KEY PERFORMANCE INDICATORS

PLACES

KEY OUTPUTS	MEASURES	TARGET	
Subdivision approvals and handover processes	Delivered in accordance with standards	Achieved	Manager Infrastructure and Assets
Approval of plans, reports and construction documentation (Days are working days and start from when all information is provided and relevant fees paid.)	Plan reviews for building certification issued within 10 working days	>90%	
	Plan and report reviews for development and subdivision issued within 15 working days	>90%	
	Works Permits issued within five days	>90%	
Capital Works Program	Affected residents and relevant stakeholders consulted prior to works starting	100%	
Capital Works Program	Programmed works completed within budget	>90%	
Grant-funded projects	Completed and acquitted in line with agreement requirements	Complete	
Asset Management Plans	All AMPs adopted as per the AMP schedule	Complete	
Road Maintenance Program	Potholes patched and repaired - Added to maintenance schedule	<7 days	
	Gravel roads graded	> 2 times per year	
Street lighting maintenance	Added to maintenance schedule	<7 days	
Productive Mango Roads Project	Kentish Road	Complete	
Shared Path Program	Current year program completed	Complete	
Major Road Network disruptions	Emergency response time	<24 hours	
Roadside maintenance	Volume of litter collected	Reducing Trend	Manager Operations and Environment
	Vegetation slashed and Council roads mowed	2 rounds	
Weed management	Weeds managed on Council roads and land in accordance with service levels in weed management program	Complete	
Bushfire management	Council firebreaks maintained	Complete	
	Firebreaks widened in accordance with fire management program	Complete	
	Hazard burns undertaken in consultation with other authorities	Complete	
Road furniture maintenance	Signs and guideposts repaired within target timeframes	>90% <24 Hours urgent 14 days standard	

KEY PERFORMANCE INDICATORS

PERFORMANCE

KEY OUTPUTS	MEASURES	TARGET	
Elected members training and development	Min 1 per quarter	min 1 per qtr	CEO
Annual Community Survey	Overall Satisfaction	>60%	
Grant applications	Grants received by Council acquitted within agreed timeframes	100%	Manager Communications and Engagement
Human resources policies, procedures, checklists	4 policies reviewed and compliant	Complete	Manager People and Performance
An engaged and productive workforce	Staff turnover rate	<20%	
	Staff survey satisfaction	>70%	
Number of workplace safety incidents.	Number of reportable incidents	0	
	Lost time injury rate	0	
	Workers' compensation claims	<3	
Information and communications technology (ICT) managed service contract management	Percentage of Service Desk requests closed against open requests during a period	90%	Manager Corporate Services
Corporate Enterprise Solution (CES) software	CES updated with the latest version (patch) available nationally	No more than 1 patch behind	
Information and Communications Technology Improvement Plan	Annual actions completed	100%	
ICT Security Audit actions	Annual actions completed	100%	
Geographical Information System (GIS)	Age of GIS imagery of populated areas	<1 year	
	Age of NTG downloaded data	<1 week	
Local Government Act 2019 compliance	Local Government and Regional Development, Department of the Chief Minister and Cabinet	100%	Manager People and Performance
Policy framework	Council policies reviewed before due date	>90%	
Elected members support	Breaches of the code of conduct by elected members	0	
Risk Management Audit Committee	Number of Risk Management Audit Committee (RMAC) meetings held	4	
Records management	Number of refresher courses conducted	2	

KEY PERFORMANCE INDICATORS

PERFORMANCE CONT.

KEY OUTPUTS	MEASURES	TARGET	
Funding agreement	Development of new agreement	Completed	Manager Library and Family Services
Servicing community needs and regulatory obligations by keeping cemetery records and maintaining rights of burial	Compliance with legislative requirements	100%	Manager Operations and Environment
	Monthly reporting to the Thorak Cemetery Board	Meet or exceed operational surplus	
Media monitoring and management	Media response time	<24 hours	Manager Communications and Engagement
Annual Budget, Annual Report, Municipal Plan	Compliance with management, statutory and regulatory budgeting and reporting	100%	Manager Corporate Services
Monthly and annual financial reporting, including annual audit and forecasting	Unqualified audit	Complete	
	Asset sustainability ratio	>60%	
	Renewal Gap Not Funded	<\$1 million	
	Current ratio (Liquidity)	>1	
Debt service ratio	>1		
	Long term rating strategy	Own-source revenue ratio increased, to lower Council's dependency on government grants and other funding sources	>60%
Investments	Compliance with policy and statutory requirements, reported monthly	100%	
Rates and accounts receivable collection	Rates and annual charges outstanding	<18%	
Front counter customer experience	Customer rating (very good, good, poor, very poor)	Very good	

LOCAL GOVERNMENT ACT 2019

As per Part 3.3, Section 33 of the *Local Government Act 2019* (Act), Litchfield Council is required to have a municipal plan for its area.

The plan must be adopted by Council prior to 30 June each year, following a public consultation period of 21 days. The plan must be available on Council's website and at its public office.

The table below outlines the required content for the municipal plan.

Municipal Plan		Reference
34(1)(a)(i)	Service delivery plan	12 - 15
34(1)(a)(ii)	Council's budget	18 - 33
34(1)(b)(i)	Any long-term, community or strategic plan adopted by the Council to which it relates	11
34(1)(b)(ii)	Council's Long-term Financial Plan	34 - 35
34(1)(d)	Indicators for judging the standard of Council's performance	36 - 41
Annual Budget		
201(2)(a)	<ul style="list-style-type: none"> i. the council's objectives for the relevant financial year; and ii. the measures the council proposes to take, during the financial year, towards achieving those objectives; and iii. the indicators the council intends to use as a means of assessing its efficiency in achieving its objectives 	36 - 41
201(2)(b)	Contain the projected statement of income and expenditure for the financial year, differentiating between operating and capital expenditure	26 - 30
201(2)(c)	List the council's fees for services and the estimates of revenue from each of those fees	27
201(2)(d)	State the amount to be allocated to the development and maintenance of infrastructure for the financial year	28
201(2)(e)	State the amount the council proposes to raise by way of rates, and set out the rates structure, for the financial year; and	20 - 22
201(2)(f)	Include an assessment of the social and economic effects of its rating policies; and	20 - 22
201(2)(g)	State the allowances for members of the council for the financial year and the amount budgeted to cover payment of those allowances; and	25
201(2)(i)	Include any other information required by any guidelines that the Minister may make or as prescribed by regulation; and	Completed
201(2)(j)	Be in a form required by any guidelines that the Minister may make or as prescribed by regulation.	n/a



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