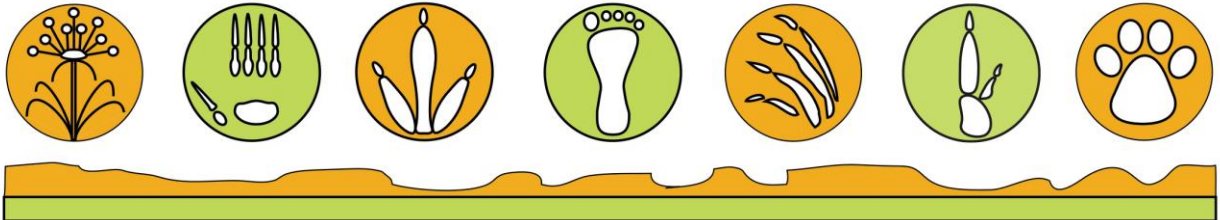


BARKLY REGIONAL COUNCIL



BARKLY REGIONAL COUNCIL

REGIONAL PLAN AND BUDGET

2015-2016

Consultative Draft 18 June 2015

for Adoption 31 July 2015

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OUR VISION

We strive to be a responsive, progressive, sustainable council which respects, listens and empowers the people to be strong

The Way We Will Work....

We make it happen!

We will be engaged and have regular opportunities to listen

We will have strong policy and budgets to ensure our programs and services are progressive and sustainable

Respect is shown in everything we do and we have acceptance of all cultures in the Barkly Region and their practices through a culturally competent Council

We are a responsible Council

We will be a responsive Council.

We want to empower local decision making

We want to ensure that our services are sustainable and that our region has a standard consistent level of services

We want to be able to sustain our environment – our communities, our physical places, our people and our organisational culture

We will aggressively pursue additional funding from both levels of government to improve the standard of living of people across the region

We need to be realistic, transparent and accountable

President's message

Dear Residents of the Barkly,

I am pleased to present the Barkly Regional Council Plan for 2015/2016. The plan provides the Council and its residents and ratepayers with a broad vision for the future of the region and a roadmap for achieving the Council's vision.

As part of our annual process we re-confirmed our vision and regional goals again to ensure that our most recent legislative changes are taken into account. Our vision and mission continues to reflect our strong commitment and determination to engage with our community and listen to the people of the Barkly region to ensure that we can deliver and achieve mutual outcomes. As we plan for the year ahead we continue to focus on building stronger partnerships with our Local Authorities as a key mechanism to achieving both regional and economic development as well as community capacity and wellbeing.

The Council continues to make difficult decisions in relation to funded services because of reduction in grants, rising costs in relation to remote delivery as well as ageing infrastructure. As the sole provider of many human services we face the issue of whether sustainable delivery for some services under current funding levels can continue. As a result we have needed to adopt rate increases to ensure that the Barkly community can retain existing service levels. In addition, Council has committed to austerity measures across all areas of its own expenditure to ensure that we can operate as effectively as possible.

We are committed to supporting our regional economy and actively pursuing revenue streams to ensure that our local economy can continue to grow and be strong. I would like to acknowledge the work of my fellow Councillors who have had their term extended until 2017. They work tirelessly to progress and advocate for this region. We look forward to working with our Chief Executive Officer, Edwina Marks and her hard working staff to again achieve our Goals and Vision for this year.

Yours sincerely,

Barb Shaw

1. Introduction and District Profile

The Barkly Regional Council (formerly Barkly Shire Council) formed on 1 July 2008 is based on the amalgamation of various small local government authorities which included:

- Aherrenge Association Inc. - Ampilatwatja;
- Ali Curung Council Inc.;
- Alpurrurulam Community Government Council;
- Elliott District Community Government Council; and
- Tennant Creek Town Council.

By agreement, the Barkly Regional Council also took responsibility for local government functions of the Urapuntja Council Aboriginal Corporation and a large area of land previously not incorporated under the NT Local Government Act including the Barkly Tablelands, numerous land trusts and pastoral properties. The Council covers 323, 514 square kilometers and has a resident population of 8,137.

The Region includes the townships of Tennant Creek (estimated population of 3,560 including the Community Living Areas of Kargaru, Tinkarli, Wuppa, Maria Maria, Village Camp and Munji-Marla, Ngalpa Ngalpa) and Elliott as well as the major communities of Ali Curung, Ampilatwatja, Arlparra, Wutunugurra and Alpurrurulam with their various outstations. In addition to these communities there are various smaller communities, 49 pastoral properties, mining operations and commercial establishments. In addition to the main centre of Tennant Creek, Regional Service Centres are located at Ali Curung, Arlparra, Alpurrurulam, Ampilatwatja, Wutunugurra and Elliott.

The boundaries of the Barkly region extend eastwards from Tennant Creek to the Queensland border, incorporating important cattle grazing areas in the Northern Territory. Roughly the same size as the United Kingdom or New Zealand, the region consists largely of open grass plains and some of the world's largest cattle stations. It runs as far south as Barrow Creek, north above Elliott and westwards into the Tanami Desert.

The Barkly Regional Council is the second largest local government area in Australia, being 42% larger than Victoria. While Victoria is considered the second most populous Australian state with a density of 2,431 persons per one hundred square km, the Barkly Region contains just two people within a similar area.

The main centre of Tennant Creek is located on the Stuart Highway, almost 1000km south of Darwin and 500km north of Alice Springs.

2. Strategic Directions

The Barkly Regional Council acknowledges that a balanced, robust and well developed set of objectives will serve the Council and community well. Focusing on the following eight objectives, Council has developed a framework for its future strategic management plans. We annually align budgets and programs against these goals and continue to build upon this work with each subsequent Regional Plan.

1. We embrace cultural diversity and work respectfully

We place the right emphasis on cultural diversity

We strive for equity

We develop protocols and treat people with courtesy and respect

We support shared decision making with our Local Authorities

We develop a framework for use across our organisation to encourage our staff to be culturally competent, including training programs, so that we embrace cultural understanding

We engage our cultural resources to mentor and develop relationships of respect to improve trust and shared decision making

We have our scaffold of support inside the organisation to enhance understanding and reduce cultural difference

We lead the way on how our two worlds can work together and promote our way of working

2. We will maximise regional development

We will develop an economic development plan for the next 10 years

We will actively promote the region

We will aggressively pursue revenue and opportunities to ensure our region is strong

We will consider the social, economic and environmental aspects of what we do

We will actively lobby and advocate with others for more services and opportunities

3. We grow our own

We grow our own” (our people, our economy, our communities)

We invest in local people and “grow our own”.

We procure locally where ever possible

We share our training with local businesses

We have local preferred suppliers who also grow their own

We promote the benefits of employing local people

4. We build and have meaningful partnerships

We will identify our partners across the region

We lock in agreements that benefit our region

Our Memorandums of Understanding (MOUs) are active and drive our values (get traction)

We feedback information to other levels of government about regional needs

Our Local Authorities identify what needs to be done and know what partnerships are in place

All (Our) staff actively broker partnerships and commit to making them work on the ground

Our internal systems and ways of working support partnerships

5. We support community well being through standard and consistent service delivery

- We set standards across all communities
- We ensure delivery models provide consistent levels of service
- We work with Local Authorities to set standards
- We actively work together on issues
- We report progress through local authorities
- We develop and monitor asset management plans

6. We are a strong regional leader in governance

- We have effective corporate and representative governance
- We plan and support policy and budgets to ensure we can be sustainable
- We engage and empower local communities to make decisions
- We support effective representation through training and development
- We provide organisational support and flexible solutions to ensure that local decisions can be made
- We give delegations that support local decision making

7. We will be innovative and professional

Council will be pursue best practice and proactively gather evidence that supports BRC to be strong. In order to be a responsive progressive sustainable council

- We proactively gather evidence as part of our practices
- We ensure continuous improvement is part of our culture
- We provide quality information for council decision making
- We understand the cost of delivering our services (We measure the cost of delivering our services)
- We use a strengths based approach to gather information about regional needs to inform our plans
- We have agreed measures that reflects our progress

8. We will stand up for Local Government and push back

- We will aggressively pursue additional funding from both levels of government to improve the standard of living of people across the region
- We don't take no for an answer
- We proactively negotiate for revenue that fully covers our costs (period contracts, grants)
- We educate government about our realities/realistic delivery
- We vigorously oppose any cost shifting attempts
- We advocate and lobby for increased support from other levels of government and others
- We develop community champions through our Local Authorities to assist us in our message and campaigns
- Our contractors support quality community outcomes
- We adopt a risk management approach to our business.

3. Opportunities and Challenges

A number of significant factors have influenced the preparation of the Council's 2015-16 annual business plan. These include:

- Consumer Price Index/Local Government Prices Index increases on existing goods and services of 1.9% for the year (December quarter 2014).
- Enterprise Bargaining Agreement, which provides for wages and 3 % salary increases annually. This EBA will be renegotiated during 2015/16.
- Government funding going into a contraction phase meaning shorter funding cycles, the risk of falling cash reserves and revenues and the need for strong budgetary management and greater efficiencies in order to keep pace with service delivery costs.
- Federal policy environment of the Indigenous Advancement Strategy will mean more integrated service delivery across the region.
- The introduction of new changes for Work for the Dole with the potential to add additional regional human resource capacity
- The NT Government's *Developing the North* agenda could see a return to growth within the Region, more mining exploration as well as the potential construction of a Tennant Creek to Mt Isa gas pipeline.
- Requirements to maintain and improve infrastructure assets to acceptable standards.
- Continuation of Council's annual works program with a commitment to fund roads and footpath developments.
- Provision of sufficiently qualified experienced and trained staff to meet service delivery demands.
- Resourcing and implementing a range of other administrative systems and processes (e.g. records management system) to bring Council up to an acceptable standard and, where required, legislative compliance.
- Short term tenure in Arlparra and Ampilatwatja due to Central Land Council (CLC) section 19 lease negotiations.

4. Council's Delivery Plan

The Barkly Regional Council manages approximately \$48 million worth of assets, has a turnover of \$28 million per year and employs approximately 276 staff. We provide a wide variety of services under the *Local Government Act 2008* and other relevant legislation.

These include:

- Governance e.g. maintaining and supporting the elected council
- Regulatory activities
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area
- Management of basic infrastructure including roads, footpaths, parks, public open space, community landfill
- Street lighting and maintenance
- Essential services including power, water and sewage
- Management of parks and reserves
- Street cleaning, rubbish collection and waste management
- Fire hazard reduction in and around community areas
- Management of cemeteries
- Animal health management
- Various environmental health services.

In response to community needs the Council also provides and/or supports further services and programs including:

- Night patrol
- Aged care and disability services
- Sport and recreation services which employ community based youth, sport and recreation officers
- Centrelink and Australia Post agency services
- Libraries and cultural heritage
- Community venues such as public halls and sporting grounds
- Economic development
- Tourism and heritage
- Community media supporting local programming and local employment.

The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue for services and projects of benefit to the district.

Fee for services include:

- Private infrastructure works
- Landscape works
- Plant hire
- Water supply
- Printing, photocopying and scanning.

For a detailed explanation of the services provided by the Council to the community please refer to Appendix C at the end of this document.

Core and Non-Core service delivery

Service	Tennant Creek	Ali Curung	Alpurrurulam	Ampilatwatja	Arlpara	Elliott	Wutunugurra
Maintenance & upgrading roads, parks, building, facilities, vehicles, plant equipment	x	x	x	x	x	x	X
Cemeteries	x	x	x	x	x	x	X
Waste Disposal	x	x	x	x	x	x	X
Fire Hazard	NTG	x	x	x	x	x	X
Fire Service	NTG					X (Marlinja)	
Animal Health		x	x	x	x	x	X
Library		x	x	x	x	x	X
Community media	Barkly Regional Arts	x	x	x	x	x	X
Outstations	Julalikari (JCAC)	N/a	N/a	No service	No service	x	No service
Children's services	TC Childcare	x	x	x	No service	x	X
Playgroup	N/a	x	No service	No service	No service	x	No service
Crèche	TC Childcare	x	No service	No service	No service	x	No service
School nutrition	TC Primary School	x	No service	x	No service	x	X
Aged Care & Disability	Frontier Services	x	x	x	x	x	X
Safe houses	TC Women's Refuge	x	No service	No service	No service	x	No service
Night Patrol	JCAC	x	x	x	x	x	X
Postal services	Australia Post					Midland	
Centrelink	Centrelink						

5. Funding the Business Plan

A deficit position of \$2.9M is being forecast for the 2015-16 financial year. The operating surplus/(deficit) measures the difference between operating revenue and expenses for the period. The total amount of the Council's intended deficit relates to depreciation, which measures the depletion of Council's physical asset base.

The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue and that it can fund the replacement of physical assets when required to continue to provide agreed service levels.

Council's revenue in 2015-16 includes \$3.2M proposed to be raised from general and other rates. This is based on an increase of 5.1%. There is little forecast growth expected for the region. Accordingly no increase to rates revenue has been factored in for growth.

Other sources of proposed revenue for the Council are:

- User charges and fees
- Grants from federal and territory governments; and
- Other revenue.

6. Directorate Business Plans and Non-Financial Performance Measures 2015-16

The following proposed business plan objectives and non-financial performance measures have been set down for the financial year. These are linked to the *Barkly Regional Council Strategic Plan*.

6.1 Infrastructure

- Review data across all 3 Asset management plans
- Align capacity with core business
- Update and review administrative policies and procedures
- Prepare hierarchy road plan for the region and implement civil works program
- Complete civic works schedule
- Repair and upgrade Utopia crossings (4)
- Complete minor capital works schedule
- Develop fleet management plan including review of systems, maintenance, disposal, retention and procurement
- Develop cost of service for recurrent programs for depot services in Tennant Creek
- Review Tennant Creek pool management plan in line with new pool construction.

Operations and Environment (Depot Services and Animal Management)

- Implement street cleaning period contract program
- Upgrade playgrounds at Lake Maryanne and El-Dorado Park
- Develop annual footpath program
- Develop annual verge program
- Implement landfill pilot recommendations
- Implement animal control in Tennant Creek
- Continue regional dog management program
- Advocate for weed management expansion
- Advocate for continued dust suppression and mosquito control.

6.2 Communities

- Deliver municipal and essential homeland and community services across Council's remote communities at Ali Curung, Alpurrurulam, Ampilatwatja, Arlparra, Elliott and Wutunugurra.
- Review community services and night patrol regional delivery model in line with Indigenous Advancement Strategy
- Increase productivity across all municipal service delivery through improved management techniques
- Train and develop strong performance management competencies across the communities' team
- Implement unit costing model for Aged Care services across the region
- Implement capital recommendations as part of Aged Care Quality Assessment reporting visit in 2015
- Advocate for continued Territory government support for homelands and community living areas across the region, especially Elliott.
- Distribute Barkly community grants to not for profit community groups
- Enhance strength based community planning to better reflect community aspirations
- Continue to strengthen community voice through ongoing support and training of Local Authorities

6.3 People and Safety

- Develop EEO plan and operational committee with support from Councils Cultural Advisory Committee
- Continue investment in training and development, including performance management
- Implement a “grow our own” model through work placements, traineeships, apprenticeships, Work for the Dole
- Renegotiate a new EBA
- Continue implementation of Council's Work Health and Safety (WHS) and Injury Management (IM) programs and implement WHS stage 1 and stage 2 – focus on hazard identification and risk assessment
- Maintain internal WHS committee
- Develop an IT business plan in line with Councilbiz's strategic plan
- Review communications management and potential to bundle ICT services
- Review and assess staff housing benefits.

6.4 Corporate and Executive Services

- Commence review of the Council's Strategic Plan
- Continue to develop community plans and community protocols
- Implement Local Government compliance review actions
- Update asset management plan and long-term financial plan
- Implement customer service request system
- Undertake elected member and new local authority member induction and training
- Continue to improve councilor portfolios
- Manage Councils advisory committees including Audit Committee, Finance and Operations Committee and Cultural Advisory Committee
- Prepare feasibility study for Juno.

7. Capital Expenditure - Project Priorities for the Year

Project	\$	\$	Comment
Buildings:			
North Camp Basketball Courts - Elliot	25,000		Replacement
Total Land and Buildings		25,000	
Plant and Equipment			
Troope Carrier - Elliot	58,626		New
CCTV/Alarm at Swimming Centre – Tennant Creek	20,175		New
Total Plant and Equipment		78,801	
Total Capital Expenditure		103,801	

8. Grant Funding

The Northern Territory Grants Commission is an established independent statutory authority under the Local Government Grants Commission Act 1986. Its primary role is to allocate financial assistance grants provided by the Australian Government to Northern Territory local governing bodies in the form of general purpose grants and local roads grants.

It is a requirement under the Commonwealth's Local Government (Financial Assistance) Act 1995 that there is a local government grants commission in each State and the Northern Territory to make recommendations on the allocation of funding to Local Governments made under the Act.

Functions

The Commission makes recommendations to the Federal Minister in respect of the amounts of money to be allocated to local governing bodies from the money provided to the Territory by the Commonwealth under the Local Government (Financial Assistance) Act 1995. The Commission also makes recommendations on such other matters relating to the finances of local governing bodies as the Northern Territory Minister for Local Government, from time to time, refers to the Commission.

Road Grants

In determining Road Grants for councils, the Grants Commission has established a road factor equation. This equation is used to assess the cost of maintaining a council's roads, takes into account annual and recurrent maintenance costs and the cost of reconstruction at the end of a road's useful life.

The equation recognises the different needs of urban and rural roads and the different levels of development of these roads. The Grants Commission has determined factors that represent cost differentials in maintaining different types of roads. The different road types are: kerbed and sealed, sealed, gravel, formed, unformed, cycle paths.

Roads to Recovery Program

The objective of Roads to Recovery is to contribute to the Infrastructure Investment Program through supporting maintenance of the nation's local road infrastructure asset, which facilitates greater access for Australians and improved safety, economic and social outcomes.

Roads to Recovery allocations for councils in each jurisdiction (except the ACT as it is a unitary jurisdiction) have been determined on the basis of the recommendations of the Local Government Grants Commissions in each state and the Northern Territory for the roads component of the Financial Assistance Grants. This is the same methodology as was used for this purpose in previous Roads to Recovery programs.

As announced in the 2014 Budget, the Government will provide an additional \$350 million in 2015-16 (\$700 million in total) to bring funding for the program to \$2.1 billion over the five years to 2019. Each funding recipient has a nominal annual allocation of one sixth of their total allocation in 2014-15, two sixths in 2015-16 and one sixth in each of the remaining three financial years of the program life.

Commonwealth Government Grant Funding	Amount \$,000
Indigenous Advancement Strategy	4,071
Aged and Community Care	686
NT Job Packages - HACC	707
Emergency Relief	13
Out of School Hours Care	412
Creche	90
Other Specific Purpose Grants	89
Total Commonwealth Government Grant Funding	6,068

Commonwealth Grants Department of Social Services

This Department aspires to be Australia's pre-eminent social policy agency with a mission to improve the lifetime wellbeing of people and families in Australia. This department oversees Aged Care funding, Emergency Relief and other Children and Family related programs.

Department of Prime Minister and Cabinet Indigenous Advance Strategy

Indigenous affairs are a significant national priority and the Indigenous Affairs Group is leading Australia's efforts to deliver outcomes in the key areas of: getting children to school; adults in jobs; making communities safer; and, recognising First Australians in the national Constitution. The Department of Prime Minister and Cabinet oversees a variety of programs.

NT Government Grants

NT Government Grant Funding	Amount \$,000
Operational Funding (Grants Commission)	3,567
General Purpose (Grants Commission)	1,740
Financial Assistance Roads (Grants Commission)	275
Homelands – Municipal Essential Services and Housing Maintenance	1,935
Indigenous Jobs Development	900
NT Job packages – Homelands	162
Active Remote Communities	204
Safe houses	348
Library	180
Indigenous Environmental Health	75
Other Specific Purpose Grants	78
NT Government Grant Funding	9,464

Homelands

The Northern Territory Government acknowledges the importance of Aboriginal people's cultural connections to their traditional lands, and the contribution that homelands and outstations make to the economic, social and cultural life of the Northern Territory. The government is committed to improving services and living conditions on homelands. This will require the joint efforts of governments, landholders and residents. We all share responsibility for the future of homelands, and need to work together to achieve the best possible results for homelands.

The Northern Territory and Australian governments reached agreement in 2013 for the provision of Municipal and Essential Services (MES) to Homelands in the Northern Territory over the next 10 years, under the National Partnership Agreement on Stronger Futures in the Northern Territory. This embodies various programs. <http://www.homelands.nt.gov.au/>

Special Purpose Grants

Funding allocated to a specific project or program.

Other

BRC also attracts other funding through building relationships with other organisations such as Central Land Council (CLC) and Central Australia Youth Link Up Service (CAYLUS).

9. Financial Sustainability/Financial Performance Measures

An independent review initiated by Deloitte in 2008 and 2013 into the long term financial sustainability of Northern Territory Councils clearly indicated a need for Councils to take a longer term approach to financial planning and sustainability.

It also highlighted the impediments that Councils in the Northern Territory faced when trying to achieve a financially sustainable position. These included;

- Funds not being available to maintain, repair or replace assets transferred into the control of Councils from other tiers of government and external bodies,
- Insufficient revenue streams for repairs, maintenance upgrade and replacement of assets creating an asset management backlog,
- Costs associated with policy initiatives introduced by other levels of governments are not funded by those bodies; and
- Onerous reporting requirements imposed by funding providers, causing inefficiencies, additional costs and administrative requirements that reduce funding for core service delivery.

Council is committed to ensuring its long term financial sustainability. In 2015-16, Council intends to review its Long-term Financial Plan, Infrastructure and Asset Management Plan and to review its Strategic Plan ensuring it is aware of those issues that may threaten its future financial sustainability.

Council's financial sustainability is dependent on ensuring that, on average over time, its expenses are at least matched by its revenue. In addition, capital expenditure on existing infrastructure and other assets should be optimised (in accordance with the review of the Infrastructure and Asset Management Plan so as to minimise whole-of-life-cycle costs of assets).

Section 127 of the Northern Territory Local Government Act requires Councils to include within their budget document "the measures the council proposes to take, during the financial year, towards achieving [it's] objectives; and the indicators the council intends to use as a means of assessing its efficiency in achieving its objectives." To assist Council in determining whether it is achieving its objective of long term financial sustainability, the following financial ratios have been applied to the budget. They are based upon those developed and legislated in South Australian local government councils.

9.1 Operating Surplus Ratio

Operating Surplus Ratio expresses the operating surplus (deficit) as a percentage of general and other rates. The Council's budgeted Operating Surplus(Deficit) Ratio is adversely high when compared to an ideal ratio of 0 to 10%. This highlights the Councils current unsustainable financial position due the items listed in the previous section.

ACTUAL 2013/2014	FORECAST 2014/2015	BUDGET 2015/2016
(168%)	(142%)	(89%)

9.2 Asset Sustainability Ratio

The Asset Sustainability Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to its level of depreciation. A ratio of 100% reflects that the council is maintaining its asset base. Council is aiming to attain a result of 4% for the year ending 30 June 2016 with the intention of reviewing its asset management plans in the financial year.

ACTUAL 2013/2014	FORECAST 2014/2015	BUDGET 2015/2016
20%	12%	4%

Due to current deficits there is no capital allocation for 2015/16 unless appropriate grants can be sourced. We have calculated this ratio as no advice is to hand.

9.3 Net Financial Liabilities and Net Financial Liabilities Ratio

Net financial liabilities is a comprehensive measure of the indebtedness of the Council as it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of the level of Council's available cash and investments. Specifically, Net Financial Liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, cash equivalents, trade and other receivables, and other financial assets, but excludes equity held in Council businesses, inventories and land held for resale.

The following table sets out estimates as at 30 June 2016:

	Estimated 30/6/16 \$,000
Gross borrowings	0
Less: Cash and investments	1,171
Equals: Net debt	(1,171)
Add: Trade and other payables	291
Add: Provisions for employee entitlements	1,328
Less: Trade and other receivables	1,154
Equals: Net financial liabilities	(706)
Net Financial Liabilities Ratio	(3.3%)

The negative result indicates that Council is in a net financial assets position. The local government sector wide results for this financial indicator usually fall between 0% and 100%.

9.4 Overall Assessment of Council's Financial Sustainability (based on the above ratios).

The above ratios indicate that the proposed annual business plan and the associated budget that underpins it, is financially sustainable over the following 12 months. Council's Asset Sustainability Ratio has been trending downward over the last five years. As sources of revenue shrink it does not have the funds available to replace them therefore, consuming assets at a quicker rate than it is replacing them.

Long term this means that the Council's assets are deteriorating and will need to be replaced in the future. Over the next twelve months the Council is committed to reviewing its asset management plans and putting in place strategies to ensure the future viability of the organisation.

10. Uniform Presentation of Council Finances

The Uniform Presentation of Council Finances together with the Key Financial Indicators provides a summary of Council's finances at the strategic level. Definitions and examples of the key components of this report are included in the glossary at the end of this document.

The Summary of Financial Position report highlights the operating surplus/(deficit) measure which is considered the most critical indicator of a Council's financial performance.

The result of this report, is the movement in Net Financial Liabilities (Net Lending/Borrowing) for the year based on Council's planned capital and operating budgets for that year.

Achieving a zero result on the net lending/(borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new/upgraded assets).

UNIFORM PRESENTATION OF FINANCES	Forecast 2015	Budget 2016
	\$,000	\$,000
Operating Revenue	25,709	21,422
less Operating Expense	(30,148)	(24,316)
Operating Surplus/(Deficit) before Capital Amounts	(4,439)	(2,894)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	391	104
less Depreciation, Amortisation and Impairment	(3,355)	(2,894)
less Proceeds from Sale of Replaced Assets	0	0
	(2,964)	(2,894)
Net Lending/ (Borrowing) for Financial year	(1,475)	(104)

A full explanation of the components to the above Uniform Presentation of Finances is contained in Appendix A.

11. Rating Arrangements 2015-16

Rate Revenue

Council's draft budget contains rate revenue of \$2.484m and Waste Collection Charges of \$0.759m. This represents a 5% increase in total rates raised compared to 2014-15

Basis of Assessed Value

Pursuant to section 149(1) of the Act , Council adopts, as the basis of determining the assessed value of all allotments in the Council area, the unimproved capital value as it appears on the valuation roll prepared by the Valuer-General under the Valuation of Land Act.

Basis of Rates

Pursuant to Section 148 of the Act, Council adopts, as the basis of rates, a combination of fixed charge and a valuation based charge within the Council area.

Basis of Rates:

- for allotments in the towns of Tennant Creek and Elliot is a valuation-based charge where the basis of assessed value is the unimproved capital value (UCV);
- for land held under pastoral lease and land occupied under a mining tenement is a valuation based charge subject to a specified minimum charge where the basis of assessed value is unimproved capital value (UCV); and
- for allotments in other parts of the Council area, is a fixed charge.

Pursuant to Section 148(3) of the Act, Council adopts:

- differential valuation-based rates for the township of Tennant Creek fixed for different zones;
- differential valuation-based rates for the township of Elliot fixed for different classes of allotments; and
- differential fixed charge for other allotments within the Council area fixed for different classes of allotments.

Classes of allotments

Council applies the followings classes of allotments in the Council area:

1. Allotments used principally for commercial or business purposes; and
2. All other allotments i.e. the allotments not principally used for commercial or business purposes.

Conditionally Ratable Land

Pursuant to section 142 of the Act, Land held under the pastoral lease and land occupied under a mining tenement is rated as per the proposal approved by the Minister for Local Government.

Differential Rates Schedule

Allotments in the Town of Tennant Creek	
Percentage	Zone
3.18559	SD (Single Dwelling)
1.30713	RL (Rural Living)
3.013743	MD (Multiple Dwelling)
7.994327	CL (Community Living)
1.432196	MR (Medium Density Residential)
5.780922	C (Commercial)
6.33007	TC (Tourist Commercial)
5.420322	SC (Service Commercial)
4.019863	CP (Community Purpose)
2.752987	OR (Organised Recreation)
12.218084	LI (Light Industrial)
12.170902	GI (General Industry)
0.6218	UF (Urban Farm Land)

Allotments in the Town of Elliott	
Percentage	Description
0.955047	Allotments used principally for commercial or business purposes
0.882309	All other allotments not included above

Allotments in the Town of Newcastle Waters	
Fixed Charge	Description
\$891.836	Allotments used principally for commercial or business purposes
\$197.42	All other allotments not included above

Allotments in Community & surrounding Living Areas of Ali Curung, Alpururulam, Ampilatwatja, Imangara & Wutunugurra	
Fixed Charge	Description
\$1061.01	Allotments used principally for commercial or business purposes
\$896.58	All other allotments not included above

Allotments in Council area (Excluding those comprised in other parts of this schedule)	
Fixed Charge	Description
\$1061.01	Allotments used principally for commercial or business purposes
\$896.58	All other allotments not included above

Conditionally Ratable Land		
(Approved rating proposal 2013/14 pursuant to sec 142 Local Government Act 2008)		
Percentage	Description	Min Rate
0.0297	Land held under pastoral lease	\$366.48
0.3400	Land occupied under a mining tenement	\$867.34

Charges

Pursuant to section 157 of the Act, Council imposes charges in respect of the garbage collection service for Tennant Creek, Elliott, Newcastle Waters, and allotments in the communities and surrounding living areas of Ali Curung, Alpurrurulam, Ampilatwatja, Imangara and Wutunugurra.

(a) **Each allotment in Tennant Creek, Elliott and Newcastle Waters:** Where a waste collection service is provided using a 240 litre capacity receptacle, or where Council is willing and able to provide:

- each weekly kerbside service \$314.00 per annum
- each additional weekly kerbside service \$314.00 per annum

(b) **Each allotment in the communities and surrounding living areas of Ali Curung, Alpurrurulam, Ampilatwatja, Imangara and Wutunugurra:** Where a waste collection service is provided using a 240 litre capacity receptacle, or where Council is willing and able to provide:

- each weekly kerbside service \$814.95 per annum
- each additional weekly kerbside service \$407.48 per annum

(c) On request, a pickup on each day of the week (other than Sundays and Public Holidays) will incur a charge of \$908.98 per 240 litre receptacle, with a maximum charge of \$2,724.34. This charge will replace the collection charge described in (a) above.

Payment of Rates and Charges

The Council allows for the payment rates and charges to be paid by four (4) approximately equal installments on an approximate quarterly basis.

- (a) Details of due dates and specified amounts are listed on the relevant Rates Notice.
- (b) That recovery action may be instituted in respect of all the rates outstanding after the due date.

Penalty for Late Payment

The relevant interest rate for the late payment of rates and charges is fixed in accordance with Section 162 of the Act at the rate of 9% per annum and is calculated on a daily basis.

Rates Concessions

Consideration will be given to granting a rate concession (that is, a reduced or deferred payment) in instances of financial hardship, to correct anomalies in the rating system or where there is some public benefit.

Applications must be made in writing, explaining the need for financial assistance. Sufficient information and supporting documentary evidence so as to satisfy the statutory and assessment criteria must be included.

Council's "Rates Concession Policy" provides further information.

12 ELECTORAL REVIEW

The Local Government Act requires the Council to undertake an electoral review, in consultation with its community and the NT Electoral Commissioner. The purpose of the review is to:

- Assess the constitutional arrangements presently in force; and,
- Determine whether the current arrangements provide the most effective possible elector representation for the Council area.

Having had regard for community input and the assessment criteria the Council formed the view that its present constitutional arrangements were appropriate. No changes were proposed in relation to the name and boundary of the Council, Ward boundaries, the Office of the Principal Member or to the number of elected members. However it was decided to recommend to the Minister a change in the name of the Yapakurlangu Ward. Yapakurlangu is a Warlpiri word and does not reflect the language groups in the Ward. The new name proposed to the Minister is Kuwarrangu Ward.

13 CONSULTATION

This plan and budget is available across all Local Authorities during June and early July and copies have been made available at the Council Chambers at 41 Peko Road Tennant Creek, NT.

Copies of the Regional Plan were available:

- on Council's website
- Council's Office at 41 Peko Road Tennant Creek
- Service Centres at Elliott, Ali-Curung, Alpururulam, Ampilatwatja, Arlparra, Wutunugurra.

14 COUNCIL CONTACT

Council can be contacted by:

Mail: PO Box 821, Tennant Creek NT 0860

Email: reception@barkly.nt.gov.au

Phone: 08 8962 0000

Website: www.barkly.nt.gov.au

Appendix A – Explanation of Uniform Presentation of Finances

(This is an example only for explanation purposes – left blank intentionally)

UNIFORM PRESENTATION OF FINANCES	2014-15 Forecast \$'000	2015-16 Budget \$'000
Income		
less Expenses		
Operating Surplus/(Deficit)	-	-
Less: Net Outlays on Existing Assets		
Capital Expenditure on Renewal/Replacement of Existing Assets		
less Depreciation, Amortisation and Impairment Expenses		
less Proceeds from Sale of Replaced Assets		
Net Outlays on Existing Assets	-	-
Less: Net Outlays on New and Upgraded Assets		
Capital Expenditure on New/Upgraded Assets		
less Amounts received specifically for New/Upgraded Assets		
less Proceeds from Sale of Surplus Assets		
Net Outlays on New and Upgraded Assets	-	-
Net Lending/(Borrowing) for Financial Year	-	-

Explanation/Examples of Components of Uniform Presentation of Finances

Operating Revenue and Expenditure: Represent the totals from the relevant lines of the Statement of Comprehensive Income (operating statement) for the year being reported on.

Capital Expenditure on renewal and replacement of Existing Assets: e.g. Roads reseals, replacement tractor, building renovations, replacement computer hardware.

Proceeds from sale of replaced assets: e.g. trade in value of a tractor or motor vehicle being replaced.

Capital Expenditure on New and Upgraded Assets: e.g. constructing a new building, constructing a new catchment pond, purchasing a piece of machinery that was not previously on hand.

Amounts specifically for new or upgraded Assets: e.g. Capital grants to partly fund a new CWMS, funds received to build new footpaths that did not previously exist.

Proceeds from Sale of Surplus Assets: Proceeds from the sale of a council building that was no longer required, sale of surplus land.

New/Upgraded vs Renewal/Replacement of Assets

The following definitions have been obtained from the South Australian Local Government Model Financial Statements (see <http://www.lga.sa.gov.au/site/page.cfm?u=769#e4291>).

A *new asset* is additional to Council's previous asset complement (e.g. roads constructed as part of a Council-owned subdivision are new assets. Similarly laying footpaths in areas where they did not previously exist are also new assets).

An *upgraded asset* replaces a previously existing asset with enhanced capability or functionality.

Renewal or replacement of an asset occurs where a previously existing asset is replaced without enhancement of the service capability except where this is incidental and unavoidable.

It is possible for capital expenditure to be a *combination of renewal as well as upgrade*. This is particularly prevalent in this Council region due to the increased volume of B-double traffic experienced in recent times. This has required existing roads to be rebuilt to higher standards (e.g. the replacement of a road that was initially a 6 metre wide sheeted surface with an 8 metre width sheeted surface can be considered part replacement and part upgrade).

The important point to understand is that if Council is not able to replace its existing assets in a timely manner then new assets should not be built unless essential. By building new assets Council is effectively building new liabilities as the assets usually don't generate revenue (e.g. roads), cannot be sold, and will need to be maintained and eventually replaced.

Appendix B - Statutory Statements

STATEMENT OF COMPREHENSIVE INCOME	Forecast 2015	Budget 2016	Variance
	\$,000	\$,000	\$,000
INCOME			
Rates and Annual Charges	3,121	3,243	122
User Charges and Fees	848	1,803	955
Interest	20	0	(20)
Contributions	23	515	492
Grants	18,147	15,532	(2,615)
Other Revenue	3,551	329	(3,222)
Profit on Disposal of Assets	0	0	0
Total Operating Income	25,710	21,422	(4,288)
EXPENDITURE			
Employee Costs	15,675	13,683	(1,992)
Materials and Services	8,062	6,525	(1,537)
Depreciation, Amortisation and Impairment	3,355	2,894	(461)
Other Expenses	3,056	1,214	(1,842)
Total Operating Expenditure	30,148	24,316	(5,832)
NET SURPLUS / (DEFICIT) transferred to Equity Statement	(4,438)	(2,894)	1,544

BALANCE SHEET	Forecast 2015	Budget 2016	Variance
	\$,000	\$,000	\$,000
ASSETS			
CURRENT ASSETS			
Cash	1,275	1,171	(104)
Trade & Other Receivables	1,155	1,155	0
Other Current Assets	160	160	0
Total Current Assets	2,590	2,486	(104)
NON-CURRENT ASSETS			
Property, Plant & Equipment	35,918	33,128	(2,790)
Total Non-Current Assets	35,918	33,128	(2,790)
TOTAL ASSETS	38,508	35,614	(2,894)
LIABILITIES			
CURRENT LIABILITIES			
Trade & Other Payables	291	291	0
Unexpended Grants	0	0	0
Employment Entitlements	1,328	1,328	0
Total Current Liabilities	1,619	1,619	0
NON-CURRENT LIABILITIES			
Long Term Borrowings	0	0	0
Long Term Provisions	0	0	0
Total Non-Current Liabilities	0	0	0
TOTAL LIABILITIES	1,619	1,619	0
NET ASSETS	36,889	33,995	(2,894)
EQUITY			
Accumulated Surplus	6,719	3,825	2,894
Asset Revaluation Reserve	30,170	30,170	0
TOTAL EQUITY	36,889	33,995	(2,894)

STATEMENT OF CASH FLOWS	Forecast 2015	Budget 2016
	\$,000	\$,000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Grants and Contributions	14,585	16,047
Other Revenue	7,520	5,374
Payments		
Employee Costs	(15,675)	(13,683)
Materials and Contracts	(11,313)	(7,738)
Net Cash provided by (or used in) Operating Activities	(4,883)	(0)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Grants Specifically for new or upgraded assets	0	0
Sale of replaced Assets	0	0
Interest Received	19	0
Payments		
Expenditure on renewal/replaced assets	(391)	(104)
Expenditure on new/upgraded assets	0	0
Loans made to community groups	0	0
Net cash provided by (used in) Investing Activities	(372)	(104)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings	0	0
Payments		
Repayment of Borrowings	0	0
Net Cash Provided by (Used in) Financing Activities	0	0
Net Increase / Decrease in Cash	(5,255)	(104)
Cash and Cash Equivalents at start of	6,530	1,275
Cash & Cash Equivalents at the end of the reporting period	1,275	1,171

STATEMENT OF EQUITY	Forecast 2015	Budget 2016
	\$,000	\$,000
ACCUMULATED SURPLUS		
Balance at end of previous reporting period	11,157	6,719
Net Result for Year	(4,438)	(2,894)
Transfer from Reserves	0	0
Transfer to Other Reserves	0	0
Balance at end of period	6,719	3,835
ASSET REVALUATION RESERVE		
Balance at end of previous reporting period	30,170	30,170
Gain on Revaluation of Property Plant &	0	0
Balance at end of period	30,170	30,170
OTHER RESERVES		
Balance at end of previous reporting period	0	0
Transfers from Accumulated Surplus	0	0
Transfers to Accumulated Surplus	0	0
Balance at end of period	0	0
TOTAL EQUITY AT END OF REPORTING PERIOD	36,889	33,995

Appendix C – Services provided to the community by Council – Where your rates are spent.

Following is a detailed explanation of the services provided by the Council to the community. The cash flows generated by the provision of these services are summarised in the budget for the financial year ending 30 June 2016. The services are broken up into the 5 organisational units of the Council, being Corporate Services, Communities, Operations, People and Safety and Executive services.

Executive Services

There are 2 categories of governance expenditure: organisational and elected member. Organisational expenses are incurred in Corporate Services. Expenses incurred in this service include executive salaries, elected members expenses and allowance, member training, memberships, travel, conferences, public liability, insurance, administration and officer support to Council.

Councillors and the Chief Executive Officer also participate in many Committees which drive regional, social and economic development including membership of the Tennant Creek Regional Economic Development, Local Government Association of NT, Ministerial Advisory committees for Corrective Services, Disability as well as Ministerially appointed Tennant Creek Alcohol Reference Group. Therefore this area will include membership and costs associated with representing the interests of the Barkly region to other levels of government.

Tourism activities include increasing visitation by tourists through the support of marketing and promotion, special events, and natural assets relating to tourism such as Lake Maryanne.

People and Safety

Human Resources and WHS

- Human Resources – compliance with Industrial Relations and Barkly Regional Councils Enterprise Bargaining Agreement including administrative policies and legislation, recruitment, rehabilitation and performance management
- WHS – compliance with Occupational Work Health and Safety (WHS) policies and legislation, contractor induction, rehabilitation and compliance
- Information Technology – membership of CouncilBiz, management of Council's local information technology systems, purchase and/or lease of computer hardware
- Communication – telephone and internet services.

Corporate Services

Administration

Administration services cover the following activities:

- Financial Services – provision of accounting services, record keeping, bill paying, payroll, insurance, financial reporting and management
- Rates Administration – administration and collection of rates and associated record keeping
- Records Management – maintenance of records management system
- Customer Service – customer support at the Council office plus a range of community administration services.

Financing and Investing

Covers cash inflows and outflows associated with the Council's financing and investing activities.

Communities

Governance

Local Authority member expenses and allowances and training, memberships, travel, conferences, public liability, insurance, administration and officer support to Council.

Municipal, Essential and Homeland Services

MES delivery into our six remote communities including Ali Curung, Alpurrurulam, Ampilatwatja, Imangara (restricted), Wutunugurra and Elliott.

Homeland services of MES, tenancy management and tenancy repairs and maintenance to Arlparra, Malinja and other smaller outstations.

Night Patrol

Night patrols services into ten remote communities including Ali Curung, Alpurrurulam, Ampilatwatja, Arlparra, Imangara, Mungkarta, Tara, Elliott, Wutunugurra and Canteen Creek.

Animal Management

Tennant Creek Companion animal control and pound services

Regional Animal management services

Community Services

Aged Services

This service covers the following activity:

- Aged and community care services, CacP and Disability

Youth Services

This service covers the following activities:

- Sport and recreation regional program in conjunction with night patrol
- Youth in transition program
- Tennant Creek pool management

Other

This service covers the following activities:

- Safe houses in Ali Curung and Elliott
- Playgroup in Elliott
- Creche and children's services in Ali Curung

Public Relations

This service covers the following activities:

- Event support
- Civic functions

Library Services

Library services in Tennant Creek and Elliott.

The services provided by libraries include:

- Books, videos and magazines
- Internet

INFRASTRUCTURE SERVICES

Waste Management

Collection of waste, operation of waste disposal facility, general litter collection and drum musters. The solid waste levy payable to the Environment Protection Agency is also charged to this area.

Roads and Footpaths

This service covers the following activities:

- Road and footpaths construction – annual works program and developer contributed works
- Street cleaning and lighting
- Public conveniences
- Works depots
- Cycle and walking paths
- Road maintenance - fixing pot holes, reinstating trenches across roads, small patches of resealing and repairing and straightening rough edges (Kerbing, water tables and traffic signage are also charged to this activity)
- Ongoing upgrade and replacement of plant and equipment
- Road maintenance of rural unsealed roads – grading, tree trimming and spraying of weeds
- Footpath maintenance - laying and rolling of crusher fines along the footpath, general footpath rolling, potholing and minor re-sheeting
- Street sweeping in Tennant Creek - commercial areas and the cleaning of bins and footpath pavement and the picking up of litter by hand
- Barkly region airstrip maintenance- inspections including checking of runway light functionality as well as the windsock (Maintenance also includes slashing of overgrowth and weed spraying).

Private Works

This service covers the infrastructure work performed by Council on behalf of individuals or the government. This work is charged out at commercial rates.

ENVIRONMENTAL SERVICES

Legislative Compliance

This service covers dog and cat management, traffic control, fire control, health control and emergency services as required under various pieces of legislation.

Parks and Gardens

This service covers the provision and maintenance of parks and recreational facilities including parks and reserves as well as playgrounds.

Parks and gardens include the town squares, reserves and traffic islands. Maintenance includes the trimming of trees, cutting of lawns, repairs to sprinkler systems, repairs to playgrounds, repairs to seating and benches as well as general maintenance to structures built within these parks and reserves.

Cemeteries

Council operates cemeteries in Tennant Creek and Elliott for the local community. Expenditure includes the costs involved in locating, digging and backfilling of graves and general maintenance.

General Maintenance involves repairs to fencing and gates, the emptying of bins, gardening, watering and mowing as and where required.

Public Conveniences

The maintenance and cleaning of public conveniences is undertaken by Council on a regular basis. Council will continue to undertake maintenance and upgrades of these facilities as and when required.

Public conveniences are inspected on a regular basis with basic plumbing and other repairs and maintenance carried out as required.