

# Annual Report 2018-19



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# INTRODUCTION



# LETTER TO THE MINISTER

## Dear Minister

I am very pleased to present you with the annual report of the Department of Infrastructure, Planning and Logistics for the financial year ended 30 June 2019. The report describes the performance and key achievements of each of the department's output groups, as required by section 28 of the *Public Sector Employment and Management Act*.

I advise, to the best of my knowledge and belief, that:

- a. proper records of all transactions affecting the department are kept, and employees under my control observe the provisions of the *Financial Management Act*, its regulations and applicable Treasurer's Directions
- b. procedures within the department afford proper internal control and a current description of such procedures is recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the *Financial Management Act*
- c. no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists, excluding the known current investigation into payments made in previous financial years under the Indigenous Employment Provision Sum
- d. in accordance with section 15 of the *Financial Management Act*, I advise that as at 30 June 2019, the department had adequate internal audit capacity and the results of all internal audit matters have been reported to me
- e. the financial statements included in the annual report have been prepared from proper accounts and records and in accordance with the Treasurer's Directions
- f. all Employment Instructions issued by the Commissioner for Public Employment have been satisfied
- g. the department is working in compliance with the *Information Act*.

I advise in relation to item (a) and (e) that to the best of my knowledge and belief, proper records are kept of transactions undertaken by the Department of Corporate and Information Services on behalf of my agency.

Yours Sincerely,



**Andrew Kirkman**  
Chief Executive

Department of Infrastructure, Planning and Logistics

25 September 2019



# ABOUT THIS REPORT

This annual report summarises the activities and performance of the Department of Infrastructure, Planning and Logistics for 2018–19. Performance is reported against strategic goals, approved budget and performance measures for 2018–19, with priorities identified for the year ahead.

This annual report aims to inform the Legislative Assembly, Territorians and other stakeholders of the:

- primary and significant functions and responsibilities of the department
- significant activities undertaken during the year, highlighting specific achievements against budgeted outputs
- the department’s fiscal management and performance reporting.

The annual report is structured in the following sections:

<b>INTRODUCTION</b>	<b>SECTION 1</b> Our Organisation	<b>SECTION 2</b> Our Performance	
<p>Provides an overview of the annual report, including why it is prepared, what organisations are included as part of reporting and the Chief Executive’s message.</p>	<p>Introduces readers to the Department of Infrastructure, Planning and Logistics, providing information on our high level structure and the purpose, vision and goals of the department.</p>	<p>Provides an overview of the divisional output groups and documents their performance in 2018–19, including key highlights in all regions and a summary of priorities that Government set for the department. It reports on key performance indicators and budget performance with commentary on achievements for this year and priorities for next year.</p>	
<b>SECTION 4</b> Corporate Governance	<b>SECTION 5</b> Our People	<b>SECTION 6</b> Financial Performance	<b>SECTION 7</b> Appendix
<p>Outlines the framework the department uses to guide its operations. This section reports on internal and external audits and achievements of the department’s boards and committees.</p>	<p>Provides information on our workforce metrics, such as staffing numbers and our workforce profile. It also includes information on equity and diversity activities, employment programs, investment in learning and development, work health safety and wellbeing.</p>	<p>Is a summary of the department’s financial performance for 2018–19. It includes a financial overview and detailed financial statements for the year.</p>	<p>Includes details on the legislation we administer and manage.</p>

# CHIEF EXECUTIVE'S MESSAGE



***“The department has achieved another record infrastructure spend of \$920 million delivered in 2018–19.”***

The department has continued to deliver infrastructure projects, including many fast tracked projects that were prioritised by Government. Bringing forward projects has provided the construction sector with a continuous pipeline of work, benefiting local industries and keeping as many jobs in the Territory as possible.

During the financial year, DIPL awarded 622 construction contracts valued at over \$523.3 million. 98.8 percent of these contracts were awarded to Territory Enterprises, supporting thousands of jobs for Territorians.

While working to support local businesses and the economy, the department has created efficiencies in its services as part of the Northern Territory's plan for budget repair.

Reforms introduced under this plan will see the centralisation of functions in government from the first of July, including infrastructure planning, management and delivery into this department, and the centralisation of corporate functions into the Department of Corporate and Information Services.

The department has established a project team to oversee the changes, which include

streamlining infrastructure project delivery to improve strategic asset management as well as operational and infrastructure planning.

As part of this project, approximately 80 infrastructure project delivery staff have transferred into the department from the departments of Health, Education, Police, Fire and Emergency Services, Primary Industry and Resources, Attorney-General and Justice and the Legislative Assembly.

Additionally, the department's human resources, information technology and fleet management functions have centralised into the Department of Corporate and Information Services.

While our department is undergoing these changes, our staff continue to work hard to deliver on the Northern Territory Government's infrastructure program, lands, planning and transport commitments.

Our team often need to rise to the challenge that operating in a tropical climate can bring, cyclones and heavy rains, and 2018–19 was no different.

I would like to thank the staff who helped thousands of Territorians prepare for and then recover after

## **ANDREW KIRKMAN**

**Chief Executive**  
**August 2016 - present**

*Andrew is responsible for guiding the department to deliver a broad range of critical and priority functions that influence the growth of Northern Territory businesses, industry and the community.*

*Undertaking all of his schooling in the Northern Territory, Andrew has worked in the Northern Territory Government since 1999, including executive roles in the departments of Transport, Housing and Chief Minister, Land Development Corporation, Darwin Waterfront Corporation, Treasury and AustralAsia Railway Corporation. Before working in Government he worked in finance and commercial roles in the private sector and mining industry.*

*Andrew has tertiary and post graduate qualifications in Business and Accounting.*





Cyclone Trevor hit the Northern Territory coast in March 2019.

During what was the largest evacuation since Cyclone Tracy in 1974, the department helped evacuate more than 2000 people from remote communities in the direct line of impact from the Category 4 cyclone.

We continue to work with our partners, including the Australian Government, to deliver significant infrastructure projects to create job and business opportunities for locals in the Territory.

Territorians now have a new entry into Darwin city after the first stage of Garramilla Boulevard was opened earlier this year. The joint funded project has supported 540 jobs in the Territory construction industry.

We are progressing with key infrastructure projects funded through a \$200 million City Deal with the Australian Government to revitalise the central business district of Darwin.

The first and second stages of the Cavenagh Street Heat Mitigation Trial are complete with a shade structure, heat reflective road surface and new trees installed.

Work continues on the State Square Underground Car Park and a masterplan is being developed for the Civic and State Square Precinct in the heart of the city.

A new playground precinct and walking path at Myilly Point is being designed that will acknowledge the history and significance of the historic Kahlin Compound and Old

Darwin Hospital site. The project includes a youth zone and adventure playground, while leaving scope for a broader future use for the site.

Progress made by the department on other key infrastructure projects include:

- the final fitout stage for the \$30 million Palmerston Police Station to cater for 200 police officers and boost police and emergency services in the Palmerston and rural region
- design and demolition of John Stokes Square to cater for a new police station and public housing designed for seniors and people living with disabilities, public space and pedestrian links to Nightcliff town centre
- design and construct the \$8.5 million new Katherine Fire, Rescue and Emergency Services Complex, providing a modern facility with additional workspace, new training facilities and accommodation
- overhauled the Alice Springs Domestic Violence Courts with five fully refurbished courtrooms, culturally appropriate waiting area on both floors and video conferencing
- built the Tennant Creek Integrated Pre-School, catering for 110 children with new specialists learning rooms, early intervention support and food preparation areas.

The department is working on key transport infrastructure to unlock the local economy,

through delivery of vital logistics infrastructure across the Northern Territory.

Significant planning and consultation work on the existing Mandorah Jetty has progressed to a design contract for the new marine facilities, which will include a purpose-built jetty, pontoon, ferry terminal facilities and a boat ramp.

Construction of the new Big Horse, Little Horse Bridges are complete, providing improved connectivity and safety along the Victoria Highway. This highway provides the only sealed link between the Northern Territory and Western Australia. This was jointly funded by the Australian Government committing \$20 million and the Northern Territory Government funding \$15.5 million, which supported more than 60 local Territory jobs.

Access to recreational areas, beaches, fishing spots and tourism ventures has improved after a \$38 million upgrade to Gunn Point Road was completed in February 2019. The road provides access to the popular Leaders Creek, Vernon Islands, Saltwater Arm and lower Adelaide River, as well as future commercial activities in the area.

The department continues to develop an ongoing pipeline of infrastructure projects and communicating upcoming opportunities for Territory businesses.

We have undertaken a second annual update of the 10 Year Infrastructure Plan to provide

# CHIEF EXECUTIVE'S MESSAGE

transparency in planning and prioritise strategic government and private sector infrastructure projects that contribute to the Territory's future growth.

The Territory's contribution to the national Towards Zero transport safety campaign continues to raise awareness about road safety from road design to driver behaviour. We have delivered on six out of the 49 actions to improve road safety in the Territory.

We are delivering on the Northern Territory Government's planning reform agenda and after two rounds of consultation have developed a Directions Paper and Phase 1 Priority Reforms Paper to guide future draft changes to the *Planning Act 1999* and Northern Territory Planning Scheme.

Strategic planning across the Territory is undertaken in consultation with the community, industry and other stakeholders, and the Northern Territory Planning Commission released several draft area and land use plans in 2018-19.

Draft plans under consultation include:

- Central Darwin Area Plan covering the Darwin Waterfront, Cullen Bay, Frances Bay, Larrakeyah, former Tank Farm and city centre
- Central Alice Springs Area Plan
- Central Palmerston Area Plan
- Coolalinga/Freds Pass Rural Activity Centre Area Plan

- Humpty Doo Rural Activity Centre Area Plan
- Katherine East Area Plan
- Tennant Creek Land Use Plan.

The department is continuing to work with all jurisdictions to ensure policy, regulatory agendas and national reform are being considered from the Territory perspective through the Building Minister's Forum and the Transport and Infrastructure Council.

We are committed to providing a robust building regulation system based on best practice, and will continue to work locally to consider and consult on the Building Confidence Report, with further discussion to be undertaken to work through local implementation.

Our Customer Service Framework is a focus for the department to streamline and reduce red tape. The Place Names Committee now has an online proposal system that helps process of proposals and enhanced reports. The register is now available online for open public access.

The Motor Vehicle Registry (MVR) continues to provide convenient ways to make it easier for customers with 57 per cent of licence and registration renewals completed by customers online via MVR Quickpay. The department has identified a number of customer focused projects that will be rolled out to improve our services and customer experience over the next 12 months.

We will also focus on reducing red tape to make it easier for business to access services. Work has started on enhancing MVR's systems to deliver an online vehicle registration channel for Territory businesses, including motor traders, heavy vehicle operators, commercial passenger vehicle operators and fleet owners, funded through the Australian Government regulatory reforms incentive.

I am very proud of our staff's commitment and effort to continue to deliver the same services with increased efficiency in what has become a challenging fiscal environment.

I would like to thank all those in the department for their great efforts in 2018-19.



- Andrew Kirkman



# OUR ORGANISATION



# OUR DEPARTMENT

## WHO WE ARE

The Department of Infrastructure, Planning and Logistics is a public sector agency established under the Administrative Arrangements Order issued by the Administrator of the Northern Territory. The department was created in September 2016.

## OUR VISION

To drive the sustainable, economic and social advancement of the Northern Territory through land use and transport planning, infrastructure investment and effective logistics supply chains.

## OUR VALUES

The department upholds the Northern Territory Public Sector (NTPS) values of:

### Commitment to Service

The NTPS is professional, hardworking, effective, innovative and efficient, working collaboratively to achieve the best results for the Northern Territory.

### Ethical Practice

The NTPS upholds the highest standards of practice and acts with integrity in all that it does.

### Accountability

The NTPS is transparent and accountable in all its actions.

### Respect

The NTPS respects all people, and in particular their rights as individuals.

### Impartiality

The NTPS is apolitical and provides the Government with advice that is objective, timely and based on the best available evidence.

### Diversity

The NTPS values the diversity of its workforce as well as the Northern Territory population it serves.

In addition, we have identified the following values as important to our organisation:

### Collaboration

We work together with our colleagues, industry and stakeholders to deliver tasks and projects with the aim of achieving shared success.

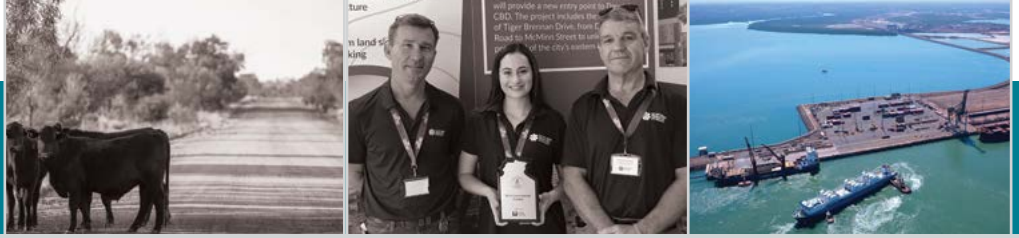
### Innovation

We look for better and more innovative ways to do business that creates value or improves service.

### Excellence

We take pride in our work and strive for excellence.





## OUR PRIORITIES

1. Long-term planning that integrates community needs and industry best practice.
2. Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio.
3. Deliver innovative, well-regulated, safe and sustainable services.
4. Create an organisation with the values, capacity and capability to deliver effective services.

## OUR CORE BUSINESS

The department is responsible for:

- strategic planning to set the direction for land use, transport networks and infrastructure to meet the community's needs and support future growth of the Northern Territory
- delivering the Northern Territory's infrastructure program and providing services as the Northern Territory's central construction agency

- managing land administered by the department on behalf of the Northern Territory of Australia and the Crown and holding land-related information and data, including developing and maintaining spatial information used to support long-term planning
- regulatory and customer services to ensure safe, efficient and sustainable land and building development and planning and transport systems
- advocating the Northern Territory's interests in national and local reforms and supporting statutory committees and boards.

## OUR RESOURCES

At 30 June 2019 the department had:

- 739 full time equivalent (FTE) staff based in Darwin, Katherine, Nhulunbuy, Tennant Creek, Alice Springs and Yulara

- spent \$920 million on infrastructure and related payments
- a \$1.85 billion infrastructure program
- management of buildings, roads, bridges and other assets with a written down value of over \$6 billion
- management of the Government's land portfolio worth over \$900 million
- a total operational budget of \$388.5 million, most of which is funded through output appropriation from the Northern Territory Government's contribution of \$251.4 million
- collected revenue on behalf of Government, including:
  - \$78.9 million from rent, royalties and regulatory services including motor vehicle registration and stamp duty fees.

# OUR STRUCTURE





**STRATEGY, POLICY AND LEGISLATION**

Executive Director  
Nick Papandonakis

- Strategy Development
- Policy Development
- Road Safety Policy and Advice
- Legislation Reform and Advice
- Transport Infrastructure Council
- National and Local Reform Agendas
- Active Transport Policy and Programs

**CORPORATE SERVICES**

Executive Director  
Sarah Temple

- Human Resources
- Work Health and Safety
- Information Technology and Innovation
- Freedom of Information Records Management
- Finance and Budget Management
- Property and Office Services
- Risk, Audit and Governance

**OFFICE OF THE CHIEF EXECUTIVE, COMMUNICATIONS AND ENGAGEMENT AND SECRETARIAT**

Director  
Tegan Berg

*As of 1 July 2019, Corporate Services functions, Human Resources and Information Business Systems were centralised into the Department of Corporate Information and Services as part of Government's Plan for Budget Repair. The remaining functions have split reporting lines to the Deputy Chief Executive, Chief Financial Officer and the Director Executive Services.*

# OUR PRIORITIES



Bulla Airstrip Upgrades

## OUR STRATEGIC OBJECTIVES

Our Strategic Plan directs the efforts of the department with four strategic objectives identified:

1. Long-term planning that integrates community needs and industry best practice.
2. Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio.
3. Deliver innovative, well-regulated, safe and sustainable services.
4. Create an organisation with the values, capacity and capability to deliver effective services.

Each priority has a variety of actions that will be delivered between 2018 and 2021. These are in line with Government's strategic themes.



Investing in the bush



Trust



Jobs and economy



Putting children at the heart of Government



Investing in our staff  
(Department theme)

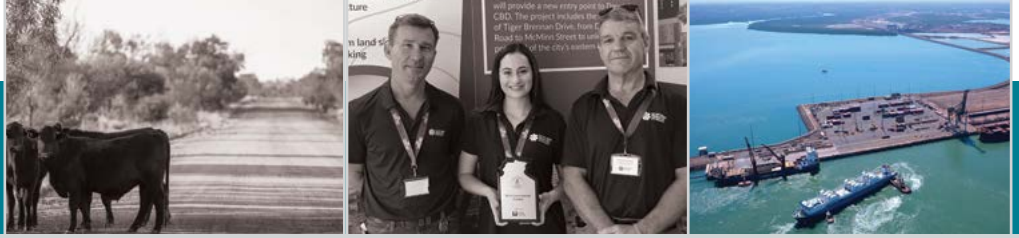


Safer and vibrant communities



Greening and vibrant cities





## DIPL STRATEGIC PLAN 2018–2021

LONG-TERM PLANNING	INFRASTRUCTURE DELIVERY	QUALITY SERVICES	CONTEMPORARY ORGANISATION
<p><b>Long-term planning that integrates community needs and industry best practice.</b></p>	<p><b>Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio.</b></p>	<p><b>Deliver innovative, well regulated, safe and sustainable services.</b></p>	<p><b>Create an organisation with the values, capacity and capability to deliver effective services.</b></p>
<p>Provide a transparent and planned approach to lands and planning policy in the Territory</p> <p>Deliver Government's vision for planning across the Territory</p> <p>Implement the Towards Zero Safety Action Plan 2018–22</p> <p>Maintain the 10 Year Infrastructure Plan</p> <p>Deliver the Territory Wide Logistics Master Plan</p> <p>Plan and protect logistics corridors for future growth</p> <p>Plan for Weddell and Cox Peninsula in partnership with land owners</p> <p>Support the Northern Territory Planning Commission to fulfill its strategic planning role for the Territory</p> <p>Strategically plan for onshore and offshore gas based industry and associated activities</p> <p>Plan and deliver the Katherine Logistics and Agribusiness Hub</p> <p>Strategically plan for future land to support development and community</p>	<p>Plan and maintain the Territory's infrastructure portfolio including delivery of Government's extensive infrastructure program ensuring a rolling pipeline of works</p> <p>Support the local economy, jobs and construction through value for the Territory procurement processes</p> <p>Deliver and support Darwin and Alice Springs CBD revitalisation projects and regional initiatives</p> <p>Promote Government's infrastructure priorities and achievements as outlined in the 10 Year Infrastructure Plan</p> <p>Work with Housing to deliver the remote housing program</p> <p>Deliver improvements to transport infrastructure including roads, bridges, barge landings and aerodromes</p> <p>Support the development and implementation of government's Aboriginal Contracting Framework</p> <p>Create a safer, more productive contractor environment by ensuring compliance with safety standards and requirements</p> <p>Plan for and manage built transport infrastructure assets to ensure these meet the needs of the Territory</p>	<p>Implement contemporary regulatory frameworks that support innovation and efficiency, reduce red tape and deliver safe outcomes.</p> <p>Actions include:</p> <ul style="list-style-type: none"> <li>- review the building regulatory framework</li> <li>- progress planning reform</li> </ul> <p>Timely regulatory approvals</p> <p>Enhance our service delivery models to reflect the changing needs of our clients and our business</p> <p>Provide a safe and secure public bus network</p> <p>Improved service delivery and increased online service options</p> <p>Deliver the remote passenger transport program</p> <p>Develop policy options which support autonomous and electric vehicles in the Territory</p> <p>Support the Place Names Committee to develop and implement Aboriginal place names</p>	<p>Implement the Government plan for budget repair including the centralisation of infrastructure planning, management and delivery</p> <p>Create workplaces that foster innovation and promote excellence, underpinned by a culture of collaboration</p> <p>Ensure our worksites and working arrangements prioritise the health and safety our staff, where risks are identified and effectively managed</p> <p>Develop programs to recruit and retain quality staff, develop leadership and workforce capability, including a focus on Aboriginal employment</p> <p>Drive new ways of doing business that create efficiencies in our operations and enable agile responses to changes in our environment</p> <p>Maintain high standards of governance, accountability and ethical standards with a focus on continual improvement in our performance reporting and delivery</p>

# FINANCIAL SNAPSHOT

For the 2018–19 financial year, the Department of Infrastructure, Planning and Logistics operated with 739 full time equivalent (FTE) staff and a budget of \$388.5 million.

It provided services across six output groups:

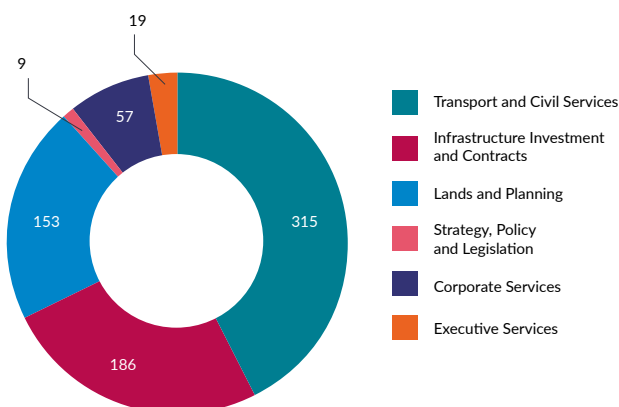
- Logistics Infrastructure and Services
- Infrastructure Investment Program, Support and Delivery
- Lands and Planning
- Corporate and Governance
- Strategy, Policy and Legislation
- Northern Territory Planning Commission.

A breakdown of the distribution of financial and FTE resources to each output group that enable services to be delivered to the community and government is detailed in the following charts.

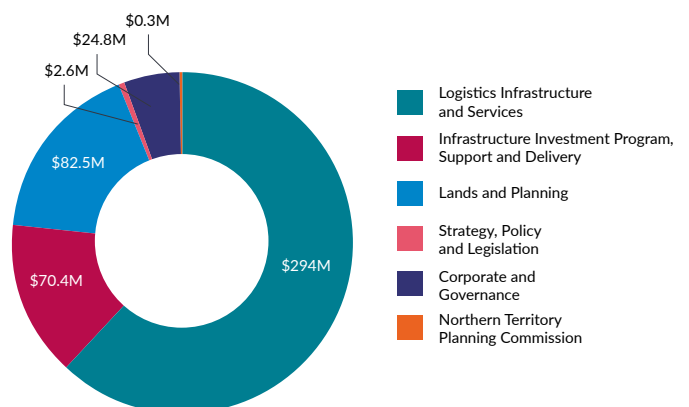
The department is funded mainly through output appropriation from the Northern Territory Government at a total of \$251.4 million.

Although the main source of funds is through appropriation, it is important to note that the department also collected revenue on behalf of the Government for taxation revenue, grants and subsidies, regulatory services and royalties and rents totalling \$78.9 million in 2018–19. These funds are directed to the Central Holding Authority.

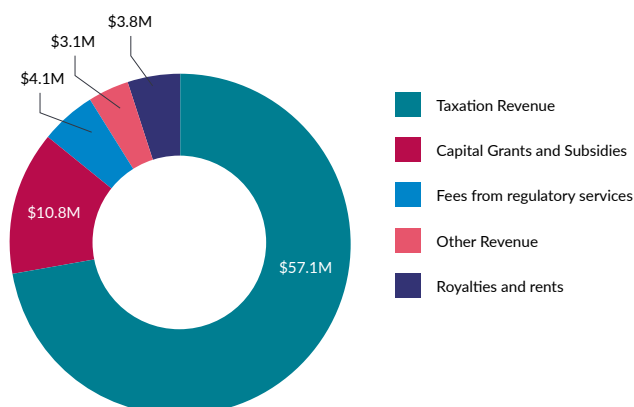
FTE by Division (total 739)



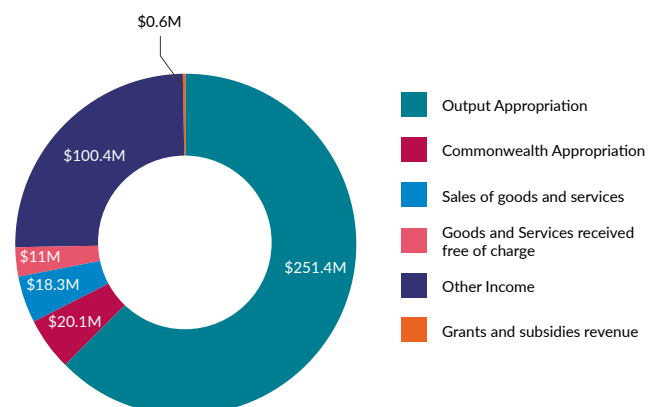
Actual Expenditure by Output Group (\$474.6M)



Revenue collected on behalf of Government – Central Holding Authority (\$78.9 million)



2018–19 Operating Income (\$401.8 million)





# OUR PERFORMANCE



# PERFORMANCE FINANCE SUMMARY

The Department of Infrastructure, Planning and Logistics classifies services under 19 outputs summarised into six output groups. The Corporate and Governance Output Group provides corporate support services to all the output groups including the Northern Territory Planning Commission.

The department had an annual budget of \$388.5 million for the 2018–19 year – an increase of \$30.2 million from the original 2018–19 budget.

The increase mainly resulted from:

- disaster maintenance relating to the department's response to Cyclone Trevor
- additional increase to the repairs and maintenance program
- the carryover of stimulus repairs and maintenance funding from 2017–18
- an increase to infrastructure related consultancies
- the non-cash expensing of capital works projects that do not meet capitalisation criteria and are required to be expensed, totalling \$23.8 million.

In addition, there was an increase of \$5.6 million for personnel and operational funding, mainly due to additional resourcing to support remote housing delivery, administrative support to deliver the Australian Government roads capital works program and for the evacuation and repatriation of residents impacted by Cyclone Trevor.

The department reported expenses for the financial year

of \$474.6 million, which is higher than the final approved budget.

The final result for the year was \$86.1 million above the operational budget, which includes salaries, operational and grant expenses. However, there was an underlying improvement of \$3 million against budget when removing the impact of unfunded items and adjustments required due to accounting purposes.

This improvement was approved as budget capacity in 2019–20 as part of the carryover process due to timing of commitments. The main unfunded items and accounting adjustments that impacted the department's position are:

- \$46.5 million of capital grant payments as directed by Government through use of cash reserves
- \$26.7 million recorded as a loss on the sale of land. Profits or losses are not budgeted for and are the net result of derecognising the value of the land held by the department and the difference between proceeds of sale against the carrying value held
- \$4.5 million of additional repairs and maintenance as part of the increased infrastructure expenditure but within the total

whole of Government repairs and maintenance capacity

- \$4 million of non-cash expenditure such as depreciation charges
- \$2.8 million in various unfunded expenses and items normally subject to a Treasurer's Advance such as \$0.7 million for the claims related to the Home Building Certification Fund and other various unfunded items
- \$1.2 million for the Australian Maritime Safety Authority as part of the transitional plans to facilitate the take up of the full service delivery across all jurisdictions as part of the National Marine Reform through the Council of Australian Government agreement
- \$0.8 million for expenses related to the upkeep of Crown lands assets.

The budget movement and annual expenses for all outputs in the department are summarised in the following table.





OUTPUT	2018-19 Budget \$000	2018-19 Final Approved Budget \$000	% change	2018-19 Actuals \$000	% change to Final
<b>Infrastructure Investment Program, Support and Delivery</b>	<b>39,126</b>	<b>30,718</b>	<b>-21.49%<sup>1</sup></b>	<b>70,420</b>	<b>129.25%<sup>5</sup></b>
Infrastructure Investment Delivery	31,562	22,987		59,899	
Program Support	4,762	4,929		4,731	
Asset Management	2,802	2,802		5,790	
<b>Lands and Planning</b>	<b>40,140</b>	<b>45,753</b>	<b>13.98%<sup>2</sup></b>	<b>82,499</b>	<b>80.31%<sup>6</sup></b>
Land Development	4,031	5,084		13,819	
Development Assessment Services	3,315	3,310		3,529	
Crown Land Estate	16,221	20,803		49,071	
Aboriginal Land	1,356	1,353		961	
Lands Planning	2,928	2,923		2,535	
Building Advisory Services	3,469	3,463		4,565	
Land Information	8,820	8,817		8,019	
<b>Logistics Infrastructure and Services</b>	<b>247,866</b>	<b>281,911</b>	<b>13.74%<sup>3</sup></b>	<b>293,972</b>	<b>4.28%<sup>7</sup></b>
Passenger Transport	58,774	59,717		61,430	
Registration and Licensing	10,880	11,001		12,568	
Road Safety and Compliance	10,527	10,730		10,005	
Transport Planning and Delivery	154,140	183,939		195,053	
Transport Assets	13,545	16,524		14,916	
<b>Strategy, Policy and Legislation</b>	<b>2,581</b>	<b>2,578</b>	<b>-0.11%<sup>4</sup></b>	<b>2,563</b>	<b>-0.58%<sup>8</sup></b>
Strategy, Policy and Legislation	2,581	2,578		2,563	
<b>Northern Territory Planning Commission</b>	<b>374</b>	<b>374</b>	<b>0.00%</b>	<b>325</b>	<b>-13.10%</b>
Northern Territory Planning Commission	374	374		325	
<b>Corporate and Governance</b>	<b>28,229</b>	<b>27,132</b>	<b>-3.89%<sup>4</sup></b>	<b>24,779</b>	<b>-8.67%<sup>8</sup></b>
Corporate and Governance	15,651	15,932		13,775	
Shared Services Received	12,578	11,200		11,004	
<b>TOTAL OUTPUT BUDGET</b>	<b>358,316</b>	<b>388,466</b>	<b>8.41%</b>	<b>474,558</b>	<b>22.16%</b>

1. Infrastructure Investment Program, Support and Delivery decreased from the original budget to the final approved budget in June 2019. The decrease mainly resulted from the undergrounding of power in Darwin suburbs capital grant payment being provided directly to Power and Water Corporation, offset by additional resources to support remote housing delivery and carryover of funding from 2017-18.
2. Lands and Planning increased from the original budget to the final approved budget in June 2019 mainly due to the carryover of funds from 2017-18, an increase in the repairs and maintenance program, additional funding to support operating costs for the Frances Bay Mooring Basin and additional funding for capital grant payments.
3. Logistics Infrastructure and Services increased from the original budget to the final approved budget in June 2019. The increase mainly resulted from additional capital grants funding for a number of projects, additional funding provided for disaster maintenance, carryover of funds from 2017-18 and accounting treatment of non-cash expenditure associated with capital works projects that do not meet the capitalisation criteria.
4. Corporate and Governance decreased from the original budget to the final approved budget in June 2019. The decrease mainly resulted from the adjustment to resources received from by the Department of Corporate and Information Services without charge.
5. Infrastructure Investment Program, Support and Delivery ended the year with total expenses of \$70.4 million against a final approved budget of \$30.7 million. The variance in actual expenses against budget was due to a number of additional capital grant payments approved by Government.
6. Lands and Planning ended the year with total expenses of \$82.5 million against a final approved budget of \$45.8 million. The variance in actual expenses against budget was due to a number of additional capital grant payments approved by Government, an increase in depreciation expenditure and the loss of disposal of assets from the sale of land which is unbudgeted.
7. Logistics Infrastructure and Services ended the year with a total expense of \$294 million against a final approved budget of \$281.9 million. The variance in actual expenditure against budget was due to additional expenditure for disaster maintenance, additional capital grant payments approved by Government, associated expenditure for the transitional plans to facilitate the take up of the full service delivery across all jurisdictions as part of the National Marine Reform as developed by the Australian Maritime Safety Authority (AMSA) and overhead information technology charges relating to the mainframe based system MOVERS, which is used to facilitate driver licence renewals and vehicle registrations by the Motor Vehicle Registry of the Northern Territory.
8. Corporate and Governance ended the year with a total of \$24.8 million against a final approved budget of \$27.1 million. The variance in actual expenses against budget is mainly due to recruitment timing issues for the various employment programs and containing expenditure in order to assist and absorb the impact of priority spend across the department.

## Whole of Agency Highlights

### CYCLONE TREVOR RESPONSE

More than 80 staff from the Department of Infrastructure, Planning and Logistics helped thousands of Territorians prepare for and recover after Cyclone Trevor hit the Territory coast in March 2019.

The Category 4 Cyclone moved into the Gulf of Carpentaria and crossed the coast east of Borroloola, fortunately missing most major communities but hitting several homelands in the area.

Eighty department staff worked with numerous contractors to evacuate more than 2000 people from Groote Eylandt and Borroloola – the largest evacuation since Cyclone Tracy hit Darwin in 1974.

Staff were joined by more than 1500 people to coordinate the evacuation and then return the evacuees after the cyclone passed.

The department worked with the Australian Defence Force, as well as AirNorth, Hardy Aviation, Katherine Coaches, Katherine Aviation, Air Frontier, Buslink and Wynward Coaches to evacuate the residents in under 36 hours.

Department staff also helped accommodate evacuees in four evacuation centres across the Top End, including two in Darwin, one in Katherine and one in Tennant Creek.

Several evacuation centres required temporary toilets and showers and repairs were needed after heavy storms hit the Katherine centre in the middle of the night.

As Cyclone Trevor moved south through the Barkly and the Plenty Highway region, regional southern department staff managed significant flooding along major Territory roads

and some communities self-evacuated to Tennant Creek.

The sustained effort by the department saw staff work more than 2000 hours over a three week period.

The department played a critical part in planning, response and recovery of major emergencies throughout the Territory and provided specialist advice to the Emergency Management Team on transport and engineering, including supporting the Emergency Operation Centre.







## IMPLEMENTATION OF THE NORTHERN TERRITORY GOVERNMENT ABORIGINAL EMPLOYMENT FRAMEWORK

The Department of Infrastructure, Planning and Logistics continues to implement a range of initiatives in its contracts to maximise Aboriginal employment opportunities, as well as engaging Aboriginal business enterprises capable of undertaking works in remote areas. Projects funded by the Australian Government also have Aboriginal employment and business enterprise targets tied to the National Partnership Agreement on Land Transport.

The department is contributing to a multi-agency partnership with the Australian Government and other

Northern Territory Government agencies to increase local decision making in remote Northern Territory communities. The first partnership to be formalised was with the Yugul Mangi Development Aboriginal Corporation (YMDAC). The aim of this partnership is to strengthen existing relationships, align community and Government priorities and pursue current and future socio-economic opportunities that truly benefit Yugul Mangi people and the Ngukurr community.

YMDAC has been awarded a number of road re-sheeting and grading contracts on a select tender basis for the Roper Highway and Numbulwar Road. Works have progressed and with assistance from the department, YMDAC have been able to

produce Environmental, Safety and Traffic Management Plans that have been endorsed by the department's compliance team.

The recruitment of experienced staff to oversee and train local staff has produced favourable outcomes for YMDAC.

Since the inception of the local decision making multi-agency partnership, YMDAC has been successful in being awarded approximately \$1.5 million for road works and a further \$580,000 to supply plant, equipment and labour for other contracts that have procurement provisions to ensure YMDAC has the first preference for local engagement.

# EXECUTIVE SERVICES



The Executive Services unit provides high level administrative and communication support to help the Chief Executive drive and achieve department outcomes.

Executive Services has two main functions – Secretariat, and Communications and Engagement.

## SECRETARIAT

The Secretariat unit plays a pivotal role in the relationship between the Minister's office and the department. The unit maintains records of ministerial correspondence, provides advice on preparing, handling and procedures for ministerial, Cabinet and parliamentary documents and supports the Chief Executive and staff. Secretariat works across the department and acts as a central focus for information on ministerial and Government policy. In addition, the Secretariat unit coordinates:

- Departmental Cabinet submissions
- Budget Cabinet submissions
- comments on other department Cabinet submissions
- Legislative Assembly and Estimates Committee briefings
- quarterly forecasting of Cabinet business
- Cabinet decision implementation reporting
- election commitments reporting
- Boards and Committees reporting.

## COMMUNICATIONS AND ENGAGEMENT

The Communications and Engagement unit provides communication, media relations and community engagement services to the department as part of the Executive Services unit. Key services provided include:

- stakeholder and community relations services to support the delivery of departmental initiatives
- crisis and emergency response communication
- developing and implementing strategic communication plans and initiatives to keep the public and industry informed on regulatory, lands and planning, logistics and infrastructure projects being delivered by the department
- professional writing and design services and project managing outsourced design projects
- advertising design, production and management, including project signage
- sponsorship management
- event management
- manage after hours media enquiries

## TEGAN BERG

Director, Executive Services

*Tegan oversees Executive Services for the department. This unit manages ministerial, Cabinet and parliamentary correspondence and the daily media management, communication strategies and stakeholder engagement for the department's projects and policies.*

*Tegan grew up in Darwin and has lived most of her life in the Northern Territory. Tegan has spent more than 11 years working for the Northern Territory Government and the Victorian State Government.*

- regularly monitor media coverage and provide a daily media snapshot for the department
- managing and maintaining the RoadReportNT and the NT Infrastructure, Planning and Logistics Facebook pages, and the Towards Zero NT Facebook and Instagram accounts
- media management and ministerial liaison for media and communication strategies and media activities to keep the public and industry informed about department policies and initiatives





- media forecasting, proactive media services and management of reactive media for the department
  - advise on innovative methods to communicate Government and department initiatives
  - provide advice, guidance and mitigation to identify and manage reputational risks
  - develop, produce and facilitate the *Growing the Territory* video series
  - provide media training and guidance to department staff.
- Some of the key projects the Communications and Engagement unit provided services for in this financial year included:
- Garamilla Boulevard
  - City Deals – State Square Car Park
  - John Stokes Square Redevelopment
  - Palmerston Police Station
  - North Stuart Highway Duplication
  - Cavenagh Street Heat Mitigation Trial
  - Katherine Fire Station
  - Sober Bob rebrand
  - DriveSafe NT rebrand
  - Respect Your Driver Campaign
  - Richardson Park Community Space
  - Australian Road Rules 2019.



**RUTH FOWLER**  
**Manager Secretariat**

*Ruth oversees the Secretariat team that manages Ministerial, Cabinet and Parliamentary documents, enquiries and reporting for the department. Ruth is a long time Territorian and public servant, with over 10 years' experience as Manager Secretariat of the various agencies culminating in the Department of Infrastructure, Planning and Logistics.*



**ANGELINA ANICTOMATIS**  
**Communications Manager**

*Angelina co-manages the Communications and Engagement unit, providing strategic support to the Director Executive Services and the communication and media team. Angelina grew up in Darwin and returned three years ago after living and working in Sydney for over 10 years.*



**ALEX CANNON**  
**Communications Manager**

*Alex co-manages the Communications and Engagement unit who service the Department by providing strategic communications support including stakeholder engagement planning, marketing strategies and social media management. Alex has worked in communications and media across various Northern Territory Government agencies and is passionate about strategic communications within the public sector.*



**ROWLAND JAY RICHARDSON**  
**Media Manager**

*Rowland manages media relations for the department, providing strategic media advice to the Senior Leadership Team, as well as supporting the Minister's media advisor. Rowland moved to the Territory three years ago after working in a number of corporate communications and media roles in both national and international organisations in Sydney, Brisbane and the Middle East.*



# EXECUTIVE SERVICES

## 2018–19 STRATEGIC OBJECTIVES

### **PRIORITY: Long-term planning that integrates community needs with industry best practice**

#### Actions

Provided Northern Territory businesses, industry and community the opportunity to influence the development of the Northern Territory through stakeholder engagement and the Have Your Say platform.

Provided ongoing support to the Northern Territory Planning Commission to help develop and deliver various Area Plans and the Planning Scheme reform.

### **PRIORITY: Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio**

#### Actions

Established and implemented a range of communication strategies to support projects being delivered in the infrastructure program.

Kept Northern Territory businesses, industry and community informed through proactive and reactive media and communication services.

Provided and maintained an integral communication stream between the Minister's office and the department.

Maintained a working relationship with the Australian Government's Department of Infrastructure and Regional Development Media and Events business unit.

Provided key communication and community relations assistance to implement key Northern Territory Government priority projects including Towards Zero, Garramilla Boulevard, John Stokes Square Redevelopment, City Deals' State Square Car Park and Richardson Park Community Space.

### **PRIORITY: Deliver innovative, well-regulated, safe and sustainable services**

#### Actions

Continue to maintain and improve the NT Infrastructure, Planning and Logistics Facebook page to improve and maintain a consistent communication channel with the public.

Continue to deliver the *Growing the Territory* information videos, providing the public with insight into projects and initiatives taking place across the Northern Territory.

### **PRIORITY: Create an organisation with the values, capacity and capability to deliver effective services**

#### Actions

Improved overall productivity by identifying existing information forums that can be shared across divisions.

Increased awareness of communication and media services across the department by attending more client face-to-face meetings and external client meetings.

Maintained quality control on all correspondence being received and sent to the Minister's office.

Managed the department's adherence to deadlines and timeframes for ministerial and Cabinet Office requests.

Provided effective service delivery as a conduit to the Minister's office.



## 2019–20 PRIORITIES

### Communications and Engagement Unit

Assist in the introduction and review of Northern Territory regulations such as:

- Australian Road Rules 2019.

Manage and implement communication strategies on key infrastructure projects, including:

- Garramilla Boulevard
- Myilly Point
- Richardson Park Community Space
- Cavenagh Street Heat Mitigation

- Plenty Highway Upgrades
- Tablelands Highway Upgrades
- Zuccoli Primary School
- John Stokes Square Redevelopment
- State Square Car Park
- Katherine Agribusiness and Logistics Hub.

Manage and implement communication strategies for engagement projects, including:

- Towards Zero Action Plan
- Sober Bob Campaign
- Advertising and Activities in Road Reserves
- Heavitree Gap Planning Study
- Respect Your Driver.

### Secretariat

- Ensure Ministerial requests are responded to within the allocated timeframe and are quality assured.
- Ensure the department adheres to timeframes allocated to meet Cabinet deadlines.
- Assist in the Budget Cabinet process.
- Coordinate reporting across the department on Cabinet Decision implementation, election commitments and Boards and Committees.

# TRANSPORT AND CIVIL SERVICES



The Transport and Civil Services Division connects the Northern Territory through our people, services, strategies and management of transport infrastructure.

The Transport and Civil Services Division delivers a transport system that is safe, efficient, sustainable, innovative, equitable and economical. The division is the Northern Territory Government's central transport authority responsible for the Northern Territory's transport system from design, development and management of our transport infrastructure to regulation and licensing of the vehicles and people that use our transport networks.

## TRANSPORT PLANNING

Transport Planning consists of four business units as follows:

- **Program Development and Transport Assets** – develops and manages infrastructure priorities for the National Road Network, Territory roads and transport assets (aerodromes, barge landings, boat ramps and bus stops) and manages Australian Government funding through the National Partnership Agreement, Land Transport and Remote Aviation Access Program
- **Transport Planning** – manages the transport planning functions for the Northern Territory Government to cater for economic and population growth while maintaining

principles of safety, quality, environmental responsibility and value for the Territory

- **Corridor Management and Land Use Management** – undertakes design reviews and issues road agency approvals for third party developments on behalf of the Northern Territory Government. The unit also deals with tenure issues and manages land use agreements and mineral extraction agreements, which includes dealings with land councils
- **Engineering and Environment Services** – a multi-disciplinary team that provides engineering, environmental, professional and statutory based services for the department and across the Northern Territory Government.

## TRANSPORT SAFETY AND SERVICES

Transport Safety and Services consists of four business units including:

- **Motor Vehicle Registry** – the Northern Territory's vehicle registration and driver licensing authority with responsibility for registration and licensing policy and customer services across the Northern Territory

## LOUISE McCORMICK

**General Manager,  
Transport and Civil Services**

*Louise is a Chartered Engineer in both civil and structural engineering and is also Chartered as an Engineering Executive.*

*Over the 15 years Louise has worked in the Northern Territory, she has been involved in planning and managing some of the Territory's largest and most complex transport infrastructure projects, including Tiger Brennan Drive and more recently Garramilla Boulevard and Litchfield Park Road.*

*She has also been instrumental in securing Australian Government funding for the Northern Territory, including recent announcements for rolling programs on key Northern Territory strategic roads, such as Central Arnhem Road, Tanami Road and the Buntine Highway.*

*Louise represents the Northern Territory on several national boards, committees and working groups including Austroads, Australian Road Research Board (ARRB) and the Infrastructure Investment Forum.*





- **Road Safety and Compliance** – responsible for road safety education and awareness programs to support and deliver the DriveSafe NT driver education and training program, Road Safety School based education, vehicle safety standards and heavy vehicle enforcement and compliance across the Northern Territory
- **Passenger Transport** – manages and regulates the Northern Territory passenger transport industry, consisting of public transport bus services and commercial passenger vehicles including rideshare services. This is achieved by managing contracts for public,

school and special needs bus transport, remote bus services and ferry services to the Tiwi Islands and Mandorah. This is complemented by a specialised Transit Safety Unit providing a safety and security presence on the Darwin public and school bus networks

- **Marine** – performs the Regional Harbourmaster and marine safety functions including regulatory functions for designated ports and pilotage operations in the Northern Territory. The unit is responsible for recreational boating safety and awareness programs and waterways management including navigational aids.

## CIVIL SERVICES

Civil Services provides project management services to construct transport infrastructure including roads, bridges, aerodromes, barge landings and marine infrastructure for Territory-wide projects for capital works, minor new works and specific maintenance programs. Civil Services:

- leads the Northern Territory in traffic engineering and operations, whole of life cycle asset management, bituminous surfacing and road operations and inspections



### BRUCE MICHAEL

**Executive Director,  
Transport Planning**

*Bruce leads a team of 40 staff who manage planning and funding for a range of transport infrastructure assets, ensuring they meet the needs of the community.*



### SIMON SAUNDERS

**Executive Director,  
Transport Safety and Services**

*Simon leads a team of 180 staff who plan and manage public bus services, regulate commercial passenger transport services, provide driver licensing, vehicle registration and inspection services, and deliver regulatory and education programs for marine and road safety.*



### BOB PEMBLE

**Executive Director,  
Civil Services**

*Bob leads a team of 75 staff who provide services to construct road transport infrastructure for Territory-wide projects, including project management for capital works, minor new works and repairs and maintenance programs.*

# TRANSPORT AND CIVIL SERVICES

- provides strategic advice to government and non-government agencies on current and future issues to ensure a safe and efficient road network for all road users in the Northern Territory
- delivers works programs in partnership with industry to ensure efficient and effective work practices
- delivers whole of life cycle asset management of the road network, including data collection, Road Asset

Management systems and coordinating asset valuation of the road network to ensure the transport network meets the needs of the community and supports the economic development of the Northern Territory.

The group is central to providing support services for counter disaster planning and response within the Darwin region and manages the Road Reporting Systems.

## Regions


Transport and Civil Services includes a number of regional staff across the Northern Territory to service our customers and manage the transport infrastructure network. Our regional teams are central to providing support services for counter disaster planning and response within the regions.

## Fast Facts

 **\$7 BILLION**  
WORTH OF ASSETS

**ROAD REPORT NT**  
**109 300**  
DOWNLOADS OF THE ROAD REPORT WEBSITE

  
**33** CCTV CAMERAS

 **423 489**  
SMS ALERTS SENT TO 100 963 MVR CUSTOMERS

 **380 709**  
RIDESHARE JOURNEY TRANSACTIONS

  
**3 518 133**  
TOTAL PASSENGER BOARDINGS ON URBAN SERVICES

MORE THAN  **250 KM** OF SHARED PEDESTRIAN/BIKE PATHS IN THE NT


**70** AERODROMES  



**11** PEDESTRIAN CROSSINGS  


**22 000 KM** OF NATIONAL HIGHWAYS, ARTERIAL AND LOCAL ROADS



**14** BARGE LANDINGS

**18** RED LIGHT / SPEED CAMERAS  


**247** BRIDGES  






## TRANSPORT COMMUNITY CONSULTATION

Transport Planning Project	Number of stakeholders engaged with
Pinelands Traffic Planning Study	80
Dundee Car Park Study	5
Coolalinga Traffic Solutions	9 (landowners) 4 (key stakeholders)
Heavitree Gap Planning Study	15 Custodians
Garramilla Boulevard	About 80 people
Future Ferry Planning Study	121
Planning for Schwarz Crescent	5
Berrimah Road Planning Study	3
Batchelor Airstrip Master Plan	91
Central Arnhem Road Project	49
Maningrida Barge Landing improvements	20
Wadeye Barge Landing improvements	8
Bicentennial/Stuart Highway intersection traffic lights	32
Katherine Terrace and Lindsay Street intersection Black Spot upgrade	39
<b>Engaged with about 500</b>	
Transport Planning Project	Number of stakeholders reached
Pinelands Traffic Planning Study	3000
Dundee Car Park Study	5
Review into the effects of Commercial Passenger Vehicle Regulatory Reforms on the Disability Sector	19 key stakeholders Facebook - 8324 people reached 32 public survey results
Accessible Point to Point Transport Working Group	18 key stakeholders (six members representing consumers /user groups, four Government departments and nine members representing the industry)
Respect Your Driver	13 key stakeholders Facebook - 1782 reached, 162 engagements, 7 shares, 719 views
Garramilla Boulevard	8000* on the department's Facebook page 29 000 reached on Road Report Facebook post
Future Ferry Planning Study	5000
<b>Reached more than 29 000 people</b>	

\*2018-19 stats only

# TRANSPORT AND CIVIL SERVICES

## 2018–19 STRATEGIC OBJECTIVES

### PRIORITY: Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio

#### Actions

Developed and implemented a real time defects reporting system to streamline recording of road defects and mitigation works to resolve the defect. Inspection contractors use the system to log the defect for assessment by department project managers for the remedial work required to resolve the defect.

The following projects were successfully delivered in 2018–19:

- completed Dinah Beach to McMinn Street section of Garramilla Boulevard as part of the Garramilla Boulevard and Tiger Brennan Drive Duplication stage three project
- built new bridges at Little Horse and Big Horse Creek on the Victoria Highway
- completed stage one of the Tablelands Highway pavement strengthening and widening (15 kilometre of road)
- completed stage one of the Bridges Renewal Program for the Tablelands Highway
- completed six kilometres of pavement strengthening and widening and 15 kilometres of gravel road improvements of the Buntine Highway
- sealed 20 kilometres of Plenty Highway and 12 kilometres of Tjukaruru Road, contributing to the ongoing sealing of the Outback Way
- realigned, upgraded and sealed Gunn Point Road
- extended the seal on Tanami Road by four kilometres towards Yuendumu
- upgraded the seal of Lajamanu Road for approximately 3.8 kilometres
- undertook landscaping on Roystonea Avenue
- undertook pavement rehabilitation and strengthening of 8.8 kilometres on Victoria Highway
- upgraded marine navigation aids at Apsley Straits, Dundee Beach and Buffalo Creek
- completed works to Wurrumiyanga (Bathurst Island) Aerodrome, including resurfacing the runway, taxiway and apron to improve safety for pilots and passengers
- widened the runway of Milingimbi Aerodrome to improve access for larger aircraft
- safety upgrades made to five remote aerodromes across the Territory under the Regional Aviation Access Program (RAAP) Round 5
- dredged the access channel at Cullen Bay to improve access for the ferry service and other harbour users
- upgraded the car park at the Howard Springs Natural Park
- presented the Consult Australia "Better Tendering Workshop to Engineering Consultants" on 10 May 2019.



## PRIORITY: Deliver innovative, well-regulated, safe and sustainable services

### Actions

Completed the Commercial Passenger Vehicle Review into the Effects of Regulatory Reforms on the Disability Sector. On 1 February 2018, ridesharing services were able to operate in the Northern Territory. This new regulatory reform regime delivered changes to level the playing field between existing commercial passenger vehicle transport services such as taxis, minibuses and private hire cars.

In their first full year of operation, rideshare services Uber, Hi Oscar and Shebah logged 376 982 jobs in Darwin and 3737 in Alice Springs, a total of 380 709 jobs.

As part of introducing the reforms and the ridesharing model, the Northern Territory Government committed to review the effects of the new regulation of point-to-point transport services on the disability sector. The Commercial Passenger Vehicles (CPV) unit undertook a comprehensive review that involved a user survey, mystery shopper program, stakeholder engagement, a jurisdictional comparison and an analysis of key performance indicator (KPI) data and complaints.

The review revealed there was a marginal improvement in services available to persons living with a disability in the Northern Territory through introducing rideshare services. However, persons dependent upon wheelchairs continue to experience disadvantage due to the inability for rideshare providers to cater to these needs.

Wheelchair-dependent passengers continue to report issues with available wheelchair accessible point-to-point transport services, including long wait times, poor driver attitudes, difficulties in securing wheelchairs in the vehicles and errors by operators when booking the correct vehicles. The department will continue to work with the disability sector to continue to improve services.

Civil Services implemented a Road Safety Audit and Traffic Management Audit panel contract. The new panel contract will be used for auditing major traffic switches on large projects. A number of projects have already been audited under this new panel including Garramilla Boulevard, Gunn Point Road and North Stuart Highway in Alice Springs.

As part of this initiative to improve traffic management on worksites, a number of personnel across numerous disciplines were upskilled in traffic management, including an awareness course for senior managers.

The department represents the Northern Territory on the Austroads Working Group for changes to the Australian Standard (AS742.3) and development of Austroads Guides for temporary traffic management.

Other key achievements include:

- continuous business improvement and increased online MVR service options
- administer and support major events including Defence expos, Red CentreNATS, World Solar Car Challenge and the Finke Desert Race
- successfully implemented ASNEX data management system to capture and track progress on development applications to ensure compliance with timeframes
- worked proactively with major developers to review and approve the designs catering for access from subdivisions onto major roads on the Northern Territory Government network
- engaged with industry working in the mining and gas industries to facilitate development of new resources
- completion of revised versions of the Standard Specifications for Roadworks, Small Building Works and Environmental Management
- technical input into developing Northern Territory Housing Specifications and Uniform Subdivision Guidelines
- developed more than 100 project Environmental Risk Assessments and reviewed about 200 Contractor Environmental Management Plans
- quality control processing of more than 2000 tenders and processed 29 000 technical drawings
- developed and updated existing road design standards and associated documents.

# TRANSPORT AND CIVIL SERVICES

## PRIORITY: Long-term planning that integrates community needs and industry best practice

### Actions

Completed the feasibility study for the extension of Snell Street.

Completed stage two consultation on the Pinelands Heavy Vehicle Access Improvement project and developed a revised concept to address community feedback.

Completed stage one of community consultation on the Heavitree Gap Planning Study and identified three options to present to the community for a stage two consultation in July 2019.

Finalised reports for the Mt Isa to Tennant Creek Rail Link.

Finalised the Future Ferry Planning for Darwin Harbour.

## PRIORITY: Create an organisation with the values, capacity and capability to deliver effective services

### Actions

Completed training in the use of state of the art traffic analysis software to help implement efficient road and intersection networks.

Conducted workshops on safety in design.

Developed agreements with private industry and local government organisations around installing and managing closed circuit television systems on various assets around the road network.

Professional and technical staff involved in project delivery and asset management undertook Work Zone Traffic Management training 3 and 2 qualifications. Staff responsible for endorsing and reviewing the traffic management plans are qualified under the Work Zone Traffic Management 1 qualification. Additional senior management staff have undertaken the Work Health and Safety, Work Zone Traffic Management and Awareness Training.



## TRANSPORT AND CIVIL SERVICES KPIs

Key Performance Indicator	2016-17 Actual	2017-18 Actual	2018-19 Estimate	2018-19 Actual	2019-20 Budget
<b>Logistics Infrastructure and Services</b>					
Deliver community and school-based road safety education	310	373	350	399	350
Vehicles checked as part of on-road auditing activity	19 018	22 284	21 000	22 151	21 000
Average Motor Vehicle Registry (MVR) customer wait time (minutes)	NA	8.05	10	10.14	10
Customer satisfaction with MVR	97.66%	98.65%	95%	98.59%	95%
Percentage of MVR renewals processed through alternative servicing channels	49%	52%	50%	60%	50%
Average sealed road rated as smooth (IRI <sup>1</sup> is <4.2m/km)*	NA	NA	96%	96%	96%
Reported defects on roads versus number repaired	NA	NA	60%	62%	60%

1. International Roughness Index.

\* actuals are represented by the estimate. Actuals available late in 2019 when ARRB survey data is complete.



## Highlights and Achievements

### GARRAMILLA BOULEVARD AND TIGER BRENNAN DRIVE DUPLICATION

In April 2019, the first section of Garramilla Boulevard was opened between Dinah Beach Road and McMinn Street. Tiger Brennan Drive was closed at the same time to complete the duplication.

The \$59.5 million project is funded by three levels of government with \$29.5 million from the Australian Government, \$25 million

from the Northern Territory Government and \$5 million from the City of Darwin.

The new boulevard includes cycle paths, shade structures and seating to transform the space into the new iconic, green and tropical entry into the heart of the CBD.

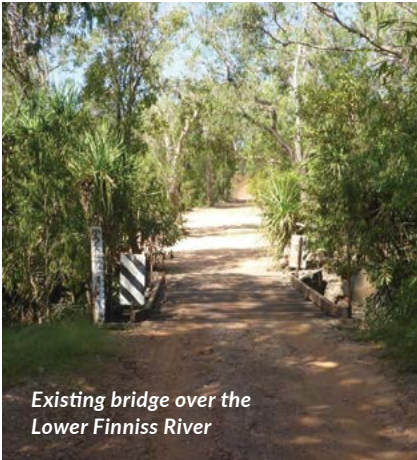
The boulevard was renamed “Garramilla”, which is the Larrakia word for the white cliffs that surround Darwin’s harbour. The boulevard was renamed to reflect the Aboriginal heritage of the

land on which the boulevard sits. A similar white rock has been used to clad retaining walls – an unmistakably Darwin feature that can be seen on a number of heritage buildings.

Construction of the project has supported 540 jobs with local Territory companies.

The full project is likely to be completed ahead of time in late 2019.





Existing bridge over the Lower Finniss River



Gunn Point Road

## LITCHFIELD PARK ROAD

A local company has been awarded a \$26 million project to build a new bridge over the Lower Finniss River and complete the final stage of sealing the Litchfield Park Road.

The project is the last upgrade to the popular road that provides access to Litchfield National Park.

The last 12 kilometres of the road will be upgraded to bitumen to improve visitor comfort, increase access and ensure the road is open during the wet season, rather than being closed for long periods of time.

Litchfield Park Road has been progressively upgraded and sealed over a number of years to improve flood immunity, road safety and increase access for remote communities and towns in Litchfield Park and surrounds.

The Northern Territory Government has been working with Traditional Owner groups to provide jobs to local Aboriginal people who are strongly connected to the area.

More than 80 local jobs will be supported during the project, which will help 340 000 visitors to access the park each year.

It is expected that the park will create more than \$14 million in tourism revenue and economic benefits to the Territory once the final stage of the Litchfield Park Road is completed in late 2020.

## GUNN POINT ROAD UPGRADE

The \$38 million Gunn Point Road upgrade project was officially opened in December 2018 to increase access and opportunity for tourism and commercial activity in the area.

The project included sealing the final 35 kilometre stretch of the Gunn Point Road and Murrumujuk Road and was delivered under budget.

The road upgrade was delivered by three separate local contractors to fast track the project, which supported 160 local jobs.

Key works delivered during the upgrade included:

- realigning Gunn Point Road to its formal road reserve and reducing the trip to Gunn Point by 4.8 kilometres

- sealing the road beyond Murrumujuk Road, incorporating the intersection to Leaders Creek boat ramp access road turn-off
- introducing dedicated right and left turning lanes suitable for large vehicles and trailers at major intersections on the road to improve safety
- elevating the road to sit higher than surrounding land to improve flood immunity during the wet season.

These road links are important for access to Gunn Point, Glyde Point and Murrumujuk areas, and will also unlock potential for planned future development.

The new road provides safe year-round access to a number of popular fishing and tourist destinations including Leaders Creek, Vernon Islands, Saltwater Arm and the lower Adelaide River.





Adelaide River Floodplain

## ADELAIDE RIVER FLOOD PLAINS

Two tenders to upgrade the Arnhem Highway over the Adelaide River flood plain were released in late 2018 and January 2019 and awarded in August 2019, with works expected to commence by late 2019.

The \$77.9 million project will raise the height of the road by 1.3 metres above the existing road level and build 13 bridge structures along a new 6.5 kilometre alignment.

The Arnhem Highway, which is an important tourist link to Kakadu National Park, is often closed due to flooding following heavy rains in the wet season, sometimes remaining closed for up to 10 days at a time.

The upgrade will reduce the amount of days the road is restricted by flooding, which can impact on residents, tourists, primary producers and other local industries.

The project is expected to be complete by mid-2021.

## STUART HIGHWAY NORTH DUPLICATION

Work to upgrade the Stuart Highway north of Alice Springs is underway as part of an Australian Government initiative to maintain safety on the key transport corridor.

The \$11 million project includes constructing two lane, dual carriageway between the Motor Vehicle Registry in Alice Springs and Herbert Heritage Drive.

It is being funded under the Road Safety and Fatigue Management Initiatives to increase capacity and safety of all road users.

The project includes upgrading existing intersections and lighting, an off-road cycle and pedestrian path, upgrading the stormwater drainage system, parking bays, landscaping with native plants and improved access to the information bay.

Working on the busy road was a challenge, with the contractor restricting activities during peak traffic times to reduce the impact on local traffic.

## IMPROVING ACCESS INTO PINELANDS

The department is undertaking planning and design work to improve access into the Pinelands industrial precinct. More than 3000 people were reached during Stage Two community consultation on the planning study. This included meeting with businesses and land owners in Pinelands and Holtze to seek feedback and comments on a concept design.

Access to the Pinelands industrial precinct, particularly for heavy vehicles has historically been an issue. Ongoing developments in Palmerston, Pinelands, Yarrowonga and Holtze have resulted in increased traffic and the need to review the local road network to improve safety and acceptable levels of service to business.

Consultation was open from 14 September to 2 November 2018. During this time, the project team engaged directly with more than 80 stakeholders with face-to-face meetings, phone calls and email enquiries. Local businesses were letterbox dropped and most impacted businesses were door knocked.

The project team is incorporating this community feedback into a revised concept design. The revised design will be made available for public consultation in the 2019 dry season.



Strategic Road Link	Australian Government Funding (\$ million)	Northern Territory Government Funding (\$ million)	Other (\$ million)	Total Funding (\$ million)
Central Arnhem Road	180	45		225
Tanami Road	160	40		200
Buntine Highway	100	25		125
Kakadu Roads	70	Nil		70
Tiwi Island Roads	60	15		75
Outback Way	50	12.5		62.5
Port Keats Road	60	15		75
Mango Roads	15	3	3	21

## NATIONAL PARTNERSHIP AGREEMENT ON LAND TRANSPORT

In 2018–19, Transport and Civil Services led negotiations with the Australian Government on the next National Partnership Agreement on Land Transport that will operate for five years from 1 July 2019.

The National Partnership Agreement on Land Transport is the mechanism by which the department obtains Australian Government funding for Territory roads. The current agreement expires on 30 June 2019. A key focus has been to secure longer term funding arrangements for strategic roads in order to provide:

- increased certainty for businesses and road users in relation to investment in key freight routes
- ongoing, sustainable employment opportunities for locals and local businesses.

The new ten year funding program that has been agreed to so far is listed in the table above.

## COOLALINGA TRAFFIC MANAGEMENT

The department has progressed concept designs to address road safety issues in Coolalinga following consultation with community members, key stakeholders and affected landholders.

Land developments in Coolalinga adjacent to the Stuart Highway have put pressure on the existing road network, which have created road safety issues on the Stuart Highway, requiring a multi-faceted solution. The preparation of a concept design has required extensive investigation into a wide range of possible solutions.

A preferred solution has been discussed with nine affected landowners and the department expects to release this preferred design to the public in 2019–20. The solution has been developed to address the following criteria:

- road safety for all users, including pedestrians and cyclists
- accessibility to enable movement to and from both sides of the highway allowing for ease of access between the two business and retail precincts
- future growth – changes support future long-term planning and growth of the area.

# TRANSPORT AND CIVIL SERVICES

## MANDORAH JETTY

In 2018–19, the department completed an engineering study to refine the design details and cost estimates to replace Mandorah Jetty with new marine facilities. The new facilities will:

- improve safety
- provide access for mobility impaired people
- unlock development and tourism in the area.

The Northern Territory Government announced \$50 million to provide new marine facilities for Mandorah as a fast-tracked significant project.

The marine facilities to be designed include:

- breakwater structure/rock groyne
- gangway and floating pontoon to improve access for mobility impaired users and users with prams
- piles/pylon to support a floating pontoon
- boat ramp
- onshore supporting infrastructure featuring a car park and trailer parking.

The project will replace the ageing Mandorah Jetty and improve safety for local residents on the Cox Peninsula and visitors, while opening up the area for increased tourism and recreational fishing.

A design tender was awarded in June 2019 and construction is anticipated to commence in mid-2020.

## BARGE LANDINGS MASTER PLAN

The department conducted a review of the barge landing infrastructure and operations across 14 barge landings managed by the Northern Territory Government.

Barge landings are essential to providing goods to remote communities, including fuel for power generation, food and consumables. The landings also perform an important function for search and rescue operations and are often the only source of freight distribution in remote areas.

Nine of the 14 barge landings service island communities that have no other form of access other than by air.

An infrastructure gap analysis and community consultation was undertaken to develop master plan concepts for all barge landings for longer term development.

Key stakeholders consulted include Traditional Aboriginal Owners, Land Councils, barge operators, stores, emergency services and local government.

A number of priority projects were identified through the consultation and master planning work and design work was undertaken. These include:

- upgrades to the Maningrida barge landing, including demolition of old barge landing and reconstruction
- improving the Wadeye barge landing hardstand area
- construction of a new concrete barge ramp at Gapuwiyak.

Longer term infrastructure upgrades have also been identified at Pirlangimpi, Milikapiti, Minjilang, Waruwi, Milingimbi, Ramingining, Galiwinku, Numbulwar, Milyakburra and Umbakumba.







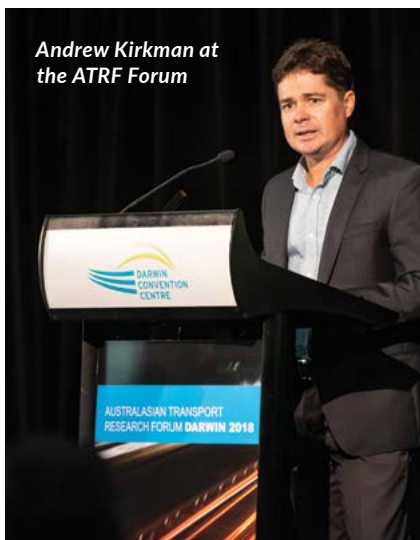
## DARWIN BUS INTERCHANGE

Transport and Civil Services has investigated a range of options for a future location for the Darwin Bus Interchange to complement initiatives designed to revitalise Darwin's CBD, in particular the State Square and Civic Park precinct, and address heat centres.

The options include assessment of temporary routing, new bus stops and bus scheduling while new facilities were being constructed. The Government is considering options for the existing site as part of developing a masterplan for the State Square and Civic Park precinct.

## AUSTRALASIAN TRANSPORT RESEARCH FORUM CONFERENCE

The department hosted the 40<sup>th</sup> Australasian Transport Research Forum (ATRF) in Darwin from 30<sup>th</sup> October to 1 November 2018 at the Darwin Convention Centre and Charles Darwin University Waterfront Campus, with support from the ATRF Executive and Scientific Committees.



Andrew Kirkman at the ATRF Forum

Local Committee members were Louise McCormick, General Manager Transport and Civil Services, Hannah Feneley, Director Transport Strategy and Support, and Jacky Gill, Business Manager, Transport and Civil Services, with assistance from local consultants Agentur.

The ATRF Conference provided an opportunity to showcase contemporary transport technology, innovation, industry projects, researchers, policy makers, advisors and practitioners in Australia, New Zealand and South East Asia from a range of disciplines, to share and build upon the latest research and thinking in the transport sector. It provided an opportunity for government agencies, industry, academic and research institutions to participate in discussion of current and emerging transport issues.

A total of 152 registrations were received, including sponsors such as Charles Darwin University, Engineers Australia and Tourism NT.

The program included eight keynote speakers and plenary

sessions, debate sessions and a total of 69 research papers were presented. Thirteen topics were covered in the forum, covering everything from traffic engineering, infrastructure modelling in marine, aviation, transport supply chains, to cycling and automated vehicles.

The conference Gala Dinner was held at Crocosaurus Cove and provided an opportunity to showcase the Territory's wildlife and local produce.

The feedback received after the conference was extremely positive and we look forward to this year's conference being held in Canberra.

## TOWARDS ZERO UPDATE

The Towards Zero Road Safety Action Plan launched in March 2018. This plan aims to improve road safety in the Northern Territory.

The plan's vision is to have a road system where no person is killed or seriously injured.

The department completed six of the 49 priority actions in 2018-19, including:

- developed a dedicated webpage
- developed a road safety grants program
- expanded the child restraint program.

An additional eight projects are expected to be completed by the end of 2019 and early 2020, including:

- speed campaign
- review penalties for mobile phone use while driving
- introduce a 'one metre' rule to improve cyclist safety.



Head of the BITRE Dr Gary Dolman at Crocosaurus Cove



## ROAD TRAIN ASSEMBLY AREA – TRUCK CENTRAL AT WISHART

The Northern Territory Government, in partnership with the Australian Government and Land Development Corporation, opened the new \$13 million Road Train Assembly Area at Truck Central in Wishart.

Located at the crossroads of the region's major heavy vehicle transport routes, the assembly area is an integral component of the Truck Central estate. It is used as a transition facility for short term use by heavy vehicles and for reconfiguring trailer combinations and most importantly, a safe environment for drivers to park, rest and recharge.

The heavy duty concrete surface provides 17 parking bays for triple

road trains, a further 11 wider bays for reconfiguration and assembly of trailers plus 28 bays for smaller configurations such as B-doubles, semi-trailers, prime movers and dolly parking and a dual height loading ramp. It has 24 hour CCTV surveillance. Further fatigue management amenities, such as a restaurant, drivers lounge and showers are available at the adjoining BP Truck Stop.

During the whole planning, application, design and construction process the Northern Territory Road Transport Association has played a pivotal role through it's industry expertise to ensure this new piece of infrastructure was fit for purpose.

## QUALITY MVR SERVICES THROUGH CONTINUOUS BUSINESS IMPROVEMENT AND INCREASED ONLINE OPTIONS

The department provided one month and three months registration renewal options via MVR Quickpay online and at 30 Australia Post outlets across the Northern Territory.

Free SMS renewal reminders were introduced in addition to current reminder options.

The MVR online project was started to provide self-service registration facility for Territory businesses.





## IMPLEMENTATION OF THE NEW ROAD REPORTING APP

Stage two of the Road Reporting website upgrade included a new mobile application that was launched in October 2018. Further enhancements to the Road Reporting website layout were applied, resulting in enhanced functionality.

Stage one completed the development and implementation of a new modern website with improved mapping, which provides a free online service to allow the public to check Northern Territory Government road conditions. Users were then able to benefit from more efficient and intuitive access to information, using simplified mapping and accompanying colour themes applied to the differing road restrictions.

## DEVELOPED THE ROAD DESIGN STANDARDS, DESIGN PROCESS TOOLS

The division guided consultants in de-risking civil works projects by implementing design practice tools. The process was delivered to Engineers Australia in two presentations (November 2018 and March 2019). The standards can be found on the department website.

## AMSA TRANSITION

Since 2013, the department has been delivering services for domestic commercial vessels as a delegate of the Australian Maritime Safety Authority (AMSA). On 1 July 2018, AMSA assumed full responsibility for service delivery. The department continues to be responsible for recreational vessels.

## RESPECT YOUR DRIVER CAMPAIGN

The Respect Your Driver campaign was launched on 29 March 2019 to raise awareness of appropriate behaviour when travelling on public transport and to encourage better treatment of drivers.

The project was an initiative of the Darwin Bus Network Consultative Committee, which the department chairs, to contribute to improving overall safety for bus drivers on the bus network, which should enhance the quality of service delivery and customer satisfaction. The initial response from bus drivers is they have seen a positive impact from the campaign with many passengers interacting in a friendly and positive manner.



## 2019–20 PRIORITIES

Rollout of new Traffic Management Australian Standards including harmonisation with other states and territories.

Continue to prioritise and deliver actions identified in the Towards Zero Road Safety Action Plan.

The Austroads Board agreed to adopt a harmonised approach to temporary traffic control at worksites across Australia and New Zealand. The new code of practice for Temporary Traffic Management is scheduled for release in December 2019.

### Rural Bus Stops Project

- The Public Transport unit are undertaking an assessment of all school and public hail and ride routes in rural areas to ensure the safety of passengers, bus drivers and other road users where these services operate.

### Standing on School Buses Project

- The Public Transport Unit is reviewing the Standing on School Buses Policy to ensure current guidelines meet the expectations of Government and the community. The safety of passengers is a key priority in delivering transport services and seating is mandated on routes that are considered high risk.

### MVR Online project

- Implement a contemporary and secure digital channel for processing vehicle registration transactions in the Northern

Territory. MVR Online will be available 24 hours a day, seven days a week for use by selected Territory businesses.

### Document Verification Service

- The MVR will be connecting to the national Document Verification Service (DVS) to verify the authenticity of identity documents to help combat identify fraud and strengthen data integrity.

### National Facial Biometric Capability

- Implement the National Facial Biometric Matching Capability to prevent the use of fake or stolen identities. This is an initiative under the National Counter-Terrorism Strategy in the interest of reducing crime and increasing national security. As a road agency, facial matching services will help prevent the use of fake or stolen identities for MVR Services.

### Remote Passenger Transport Program

- Continue support for remote transport operations across the Northern Territory.
- The program supports remote operators including Centre Bush Bus, Bodhi Bus, Gove Town Bus, Tiwi Bus and Tennant Creek Town Bus. These services provide an important lifeline to Territorians living in remote communities who rely on community transport to connect with other communities and regional centres.

### New Test Shed

- Construction of a new vehicle inspection facility at 'Truck Central' located at 18 Mettam Road, Berrimah. Benefits of the new facility will include:
  - less congested traffic along Goyder Road, Parap
  - expansion of the vehicle booking system to include heavy vehicles, trailers and caravans; alleviating inspection queues
  - improve heavy vehicle access
  - providing a central vehicle inspection location between Darwin, Casuarina and Palmerston.

### Plan and deliver transport infrastructure, including:

- Garramilla Boulevard and Tiger Brennan Drive Duplication stage three is expected to be completed ahead of schedule in late 2019
- Buntine Highway \$125 million program – planning, project development and delivery of early works
- Central Arnhem Road Upgrade \$225 million program – planning, project development and delivery of early works to seal between Bulman and Bulman Aerodrome turn-off
- Roads of Strategic Importance Projects – planning and project development on the following road corridors:
  - Tennant Creek to Townsville (Barkly Highway)



- Adelaide River to Wadeye (Port Keats Road)
- Alice Springs to Darwin (Stuart Highway, Mango Roads, Maryvale Road)
- Alice Springs to Halls Creek (Tanami Road)
- Newman to Katherine (Victoria Highway)
- Tablelands Highway stage two- to deliver 13 kilometres of strengthening and widening upgrades
- Barkly Stock Route - upgrade 15 kilometres to dual lane sealed road
- Outback Way - upgrade to seal 36 kilometres of Plenty Highway and 15 kilometres of Tjukururu Road
- Coolalinga Traffic Management - intersection upgrades and pedestrian crossings
- Lajamanu Road - upgrade to seal 3.6 kilometres of road
- Sandover Highway - upgrade to seal 2.8 kilometres of road
- Gimbat Road - Kambolgie Creek crossing upgrade
- Howard Springs to Coolalinga cycle path extension
- Heavy Vehicle Safety and Productivity Program (HVSP) Round Six - deliver four projects across the Territory to benefit the heavy vehicle sector
- Elcho Island - western apron upgrade and new secure plane compound works
- Regional Aviation Access Program (RAAP) - Round Six - safety upgrade works to eight remote aerodromes Territory-wide
- Marine Safety - upgrade marine navigation aids at various locations
- Maningrida barge landing upgrade
- Wadeye barge landing hardstand upgrade
- Integrate aerodrome maintenance into Konnect - incorporate aerodrome reporting and maintenance activities into the department's Konnect Management System
- finalise draft guidelines for the management of advertising and activities in Northern Territory Government road reserves
- work to implement regulations to allow for the control of unsafe and unapproved advertising material in Northern Territory Government road reserves
- continually review, improve and update Road Design Standards and Procedures
- continually review and update the department's roadworks, road maintenance and small building works standard specifications
- revise and update content provided online to support improved environmental management of Government infrastructure projects
- dissemination of updated standards and associated documents Territory-wide to regions through a range of regions presentations of "Knowledge Sharing"
- complete detailed design of the Mandorah Marine Facility and award tender for construction
- release preferred design options to the community for the Heavitree Gap Planning Study in Alice Springs
- participate in national committees and boards such as Austroads
- start construction of the Adelaide River Floodplain upgrade and Keep River Plains Road upgrades.



# INFRASTRUCTURE, INVESTMENT AND CONTRACTS

Infrastructure, Investment and Contracts is responsible for delivering the Northern Territory's infrastructure program, procurement, programming capital works and coordinating minor works, repairs and maintenance for Northern Territory Government assets.



## JOHN HARRISON

### General Manager

*John and his family arrived in the Territory just before Cyclone Tracy hit Darwin in 1974, with John entering the workforce as an apprentice electrician before commencing as a Northern Territory Government trainee electrical designer.*

*John has a Diploma of Engineering and a Graduate Certificate of Public Service Leadership with extensive leadership and project delivery experience in the Northern Territory.*

*Over his career John has worked as an electrician in private enterprise and was self-employed before returning to the Northern Territory public sector in 2007.*

*John worked as Director of Minor New Works and Maintenance for a number of years before working with the Department of Housing to implement reforms to urban maintenance contracts. After returning to the former Department of Infrastructure, John led the department's Building Services team.*

The team is responsible for planning and delivering the Northern Territory Government's Infrastructure Program. This is achieved through the core functions of:

- planning, design and delivery of infrastructure works
- developing a five year pipeline of projects
- updating the 10 Year Infrastructure Plan annually
- partnering and collaborating with industry
- developing staff through knowledge, experience and providing a safe workplace.

## BUILDING SERVICES

The Building Services Branch provides a full suite of design, project management, maintenance planning and administration services to deliver the capital, minor works and repairs and maintenance programs for a range of Northern Territory Government departments across the Northern Territory.

Project management professionals across all regions deliver a variety of infrastructure projects and manage a range of contracts, varying in complexity from sophisticated construction contracts to period and panel contracts for maintaining building assets.

The branch also includes a Design Office made up of professionals in the disciplines of architecture, mechanical and structural engineering. Design officers work across the department to provide fit for purpose design solutions for infrastructure projects. The Design Office also plays a role in overseeing external design contracts.

The Building Service Branch, through its Maintenance Planning team, provides asset-related services that support departments to manage property portfolios, ensuring a consistent, systematic and independent building asset management service across Government.

## PROCUREMENT OPERATIONS AND DELIVERY

The Procurement Operations and Delivery unit provides department staff with functional training, strategic advice and operational support for all stages of procurement activities to deliver a range of department procurement outcomes in a timely manner. The unit's support, facilitation and governance ensures that the department's procurement activities comply with the Government's regulatory frameworks and policies and demonstrate value for Territory outcomes.



## GLEN BRADY

**Executive Director,  
Building Services**

*Glen leads a team of 95 staff providing a full suite of project management and maintenance planning, design, project management and administration services to deliver the Territory-wide building capital works, minor new works and repairs and maintenance programs.*

The key functions of the team are to:

- develop and foster the skills of procurement professionals
- facilitate effective and timely procurement outcomes that meet department and agency objectives
- provide support and oversight procurement practice for all department staff
- improve the procurement capability and knowledge of program and middle managers
- develop and drive service improvement plans and comprehensive monitoring and reporting processes.

## PROGRAMMING

The Programming unit is responsible for program management, reporting and providing program advice on capital works, minor works and repairs and maintenance programs for most agencies across Government. An important aspect of its role is monitoring progress of expenditure against the program and informing the budget development process. Reports are provided on a regular basis to the Minister for Infrastructure, Planning and Logistics and Government departments to track commitment and spend for programs.

## CONTRACTOR COMPLIANCE

The Contractor Compliance unit (CCU) undertakes assessments and audits of project specific construction management plans for compliance with the Conditions

of Contract. The CCU provides guidance to principal contractors, project managers and Government for national public works, minor new works and period contract requirements, and contributes to developing compliance policies for infrastructure related contracts.

The Project Quality, Safety, Local Content, Indigenous Engagement and Nominated Sub-Contractor requirements of the Conditions of Contract are audited to determine whether appropriate management systems and controls are implemented by the Principal Contractor to fulfil commitments provided in the Tender Response Schedule.

These systems and controls must comply with applicable Northern Territory Government and/or Australian Government laws, regulations, standards and contracts to deliver the agreed level of service and product to the client.

Along with project managers, this unit plays an important role in ensuring the Government's Buy Local Policy is administered and local employment opportunities are realised.

## CONTRACTS

In 2018-19 the Contracts unit focused on activities to facilitate better outcomes for contractors undertaking Government work focusing on subcontractor protections, surety bonds, contractor administration and providing advice to officers on complex contract management activities.

## INFRASTRUCTURE DEVELOPMENT AND SUPPORT SERVICES

The Infrastructure Development and Support Services unit consults with industry, private sector and other key stakeholders to develop the 10 Year Infrastructure Plan (annual review) and the quarterly publication Construction Snapshot. The unit provides support to the business by developing and implementing technology based tools, such as:

- Project Management Office, including the review and development project toolsets
- 10 Year Infrastructure Plan annual review publication, including the release of associated data to the public
- Construction Snapshot quarterly online publication
- project collaboration tools and data sets to improve delivery of the infrastructure program for the Government
- computer aided design
- pipeline of projects for Aboriginal communities, a conceptual model to develop sustainability within communities.

## HOUSING PROJECTS

The Housing Projects unit provides construction services on behalf of the Department of Local Government, Housing and Community Development to deliver the following programs:

- Cyclone Recovery Housing
- National Partnership on Remote Housing

- Remote Australia Strategies
- Urban Renewal Program - Urban Public Housing
- Our Community. Our Future. Our Homes.

The unit is made up of program, project and contract management professionals who manage the construction, upgrade and replacement of homes in various urban and remote communities across the Territory.

## LAND SERVICING AND ENGINEERING

The Land Servicing and Engineering unit provides comprehensive services to deliver a range of capital works projects to support the development of land in the Northern Territory.

The unit is made up of technical and engineering project management professionals who provide project and contract management, design management and supervise works to deliver a diverse range of infrastructure to various third parties, such as Power Water Corporation, National Broadband Network and local road authorities.

Typical capital works projects delivered by the team include trunk service infrastructure (headworks), including high voltage reticulation, trunk water and sewer mains, sewer pump stations, spine roads, stormwater drain and flood mitigation works, such as large storm water detention systems. The unit delivers subdivisions to support remote housing and strategic projects.



### CHRIS GRUMELART

**A/Executive Director,  
Housing and Strategic Projects**

*Chris leads a team of 90 staff and consultant project managers who are responsible for delivering the Remote Housing programs and Strategic Projects including procurement, construction, design management, delivery of infrastructure and subdivisions, land development, stormwater detention systems and flood mitigation Territory-wide.*



# Fast Facts

**673** AGENCY ASSETS  
MANAGED AND

**236** INSPECTED

THE DEPARTMENT MANAGED  
AN INFRASTRUCTURE PROGRAM OF

**\$1.94 BILLION**

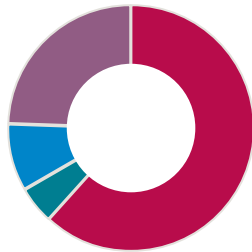
WITH AN YEAR END EXPENDITURE OF

**\$920 MILLION**

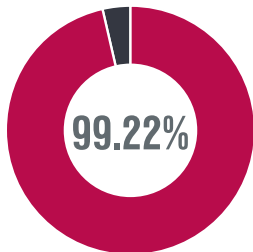
INCLUSIVE OF  
CAPITAL GRANTS

### PROGRAM EXPENDITURE:

- Repairs and Maintenance \$165 million
- Minor New Works \$70 million
- Capital grants and infrastructure related expenses \$68 million
- Capital works \$616 million



DELIVERED AN ADDITIONAL  
**\$12 MILLION** IN EXTERNALLY  
FUNDED PROJECTS

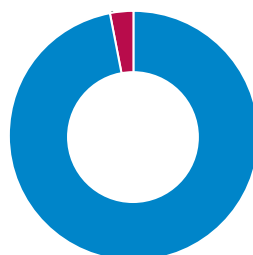


LOCAL JOBS REMAIN A PRIORITY,  
WITH 99.22% OF AWARDED  
VALUE BEING RETAINED IN THE  
TERRITORY REPRESENTING OVER

**\$519 MILLION**



**662** CONSTRUCTION CONTRACTS  
AWARDED BY THE DEPARTMENT



**98.8%**  
WERE AWARDED TO  
TERRITORY ENTERPRISES

### REMOTE COMMUNITY HOUSING



**306**

NEW HOMES

**1302**

UPGRADES

### EMPLOYEE & EDUCATION HOUSING (EEH)



**42**

NEW HOMES

**26**

UPGRADES

### GOVERNMENT EMPLOYEE HOUSING



**36**

NEW HOMES

### URBAN PUBLIC HOUSING



**47**

NEW HOMES

### CYCLONE RECOVERY HOUSING



**80**

REPLACEMENTS

**80**

YARD WORK  
PACKAGES

### HOME BUILD



**202**

*These statistics relate to a program of works  
delivered over multiple financial years.*

# INFRASTRUCTURE, INVESTMENT AND CONTRACTS

## 2018–19 STRATEGIC OBJECTIVES

**PRIORITY: Long-term planning that integrates community needs with industry best practice**

### Actions

Undertook the annual review of the 10 Year Infrastructure Plan with the updated Plan anticipated to be published in September 2019.

Published the quarterly Construction Snapshots to provide an overview of construction industry activity in the Territory valued greater than \$500 000.

Continued pipeline of work delivered across the Northern Territory with regular media briefs and information by region on current tenders at market and contract award information.

Continued to work with agencies to develop works programs and asset maintenance plans.

Worked in partnership with private developers to minimise impacts of construction to road users, local businesses and residents.

Continued to participate in the infrastructure planning group, consisting of representatives from the Department of Infrastructure, Planning and Logistics, the Department of Local Government, Housing and Community Development and Power and Water Corporation, to deliver the current National Partnership on Remote Housing (NPRH) program and plan for the \$1.1 billion housing program.

Partnered with Department of Local Government, Housing and Community Development to identify the long-term land development needs to facilitate housing communities in remote communities.

Implemented a rolling program of audits across awarded tenders encompassing work health and safety, project quality control, local benefit commitment and Indigenous employee participation on construction projects.

Improved internal capacity to assess and notify contractors of the assessment and acceptance of project management plans.

Contracts unit communicated the Government's position in respect of the:

- Sub-Contractor Protection initiative, including its efficacy and continued viability
- availability of alternative forms of contract security (e.g. Surety Bonds).

Enhanced the department's building infrastructure disaster response application to improve data capture and management in an emergency management event.

Commenced training and awareness sessions to increase contract compliance capability of department project managers.

As part of the compliance obligations under the Value for Territory Assurance Program the department has completed three Value for Territory Audits (VFT). The Buy Local Industry Advocate has closed out VFT Audit 1 and VFT Audit 2 commenting that the department achieved Value for Territory through procurement compliance.





## PRIORITY: Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio

### Actions

Planned and maintained the Territory's infrastructure portfolio, including delivering the Government's extensive infrastructure program to ensure a rolling pipeline of works to support ongoing work for industry.

Supported the local economy, jobs and construction through Value for the Territory procurement processes, including local content requirements.

Delivered an expenditure of \$920 million on the infrastructure program.

Completed the \$25.3 million Warren Park project.

Completed the \$20.7 million Darwin High STEAM (Science, Technology, Engineering, Arts and Mathematics) Centre.

Completed the \$19.8 million new indoor netball stadium.

Completed the \$12 million Royal Darwin Hospital multi-storey carpark.

Completed the \$8.5 million Katherine Fire, Rescue and Emergency Service Complex.

Completed the \$6.6 million Ludmilla Primary School stage 1.

Completed the \$3.1 million Hydrotherapy Pool at Palmerston Regional Hospital.

Undertook \$140 million worth of works throughout the housing program in the Territory.

Completed 60 new remote homes, 19 Employee and Education housing, 31 new urban homes, 160 remote upgrades, 52 HomeBuild NT and nine Government Employee new homes throughout the housing program in 2018-19.

Delivered 94 serviced housing lots through subdivisions in the remote communities of Gapuwiyak, Ngukurr, Maningrida and Wadeye.

Awarded 662 contracts valued at \$523 290 250 to sustain the pipeline of work to support local community.

Awarded 98.8 per cent of contracts to local businesses to keep jobs in the Territory for Territorians.

Undertook efficient assessment of tenders to ensure timely award of contracts (target 28 days).

Promoted the Government's infrastructure priorities and achievements as outlined in the 10 Year Infrastructure Plan.

Created a safer, more productive contractor environment by ensuring compliance with safety standards and requirements.

Inspected 33 per cent of Government building assets annually and prepare prioritised maintenance list for inspected assets.

# INFRASTRUCTURE, INVESTMENT AND CONTRACTS

**PRIORITY: Deliver innovative, well-regulated, safe and sustainable services**

## Actions

Implemented a rolling contract audit program to achieve work, health and safety audits and Indigenous Development Plan audits.

Worked with industry to identify options for more effective methods to improve infrastructure delivery in the future.

Provided strategic procurement actions to increase Aboriginal employment in the delivery of infrastructure projects.

Introduced alternative products/materials within the procurement process to encourage innovative construction methodologies.

**PRIORITY: Create an organisation with the values, capacity and capability to deliver effective services**

## Actions

Created workplaces that foster innovation and promote excellence, underpinned by a culture of collaboration.

Ensured our worksites and working arrangements prioritise the health and safety of our staff, where risks were identified and effectively managed.

Developed programs to recruit and retain quality staff, develop leadership and workforce capability, including a focus on Aboriginal employment.

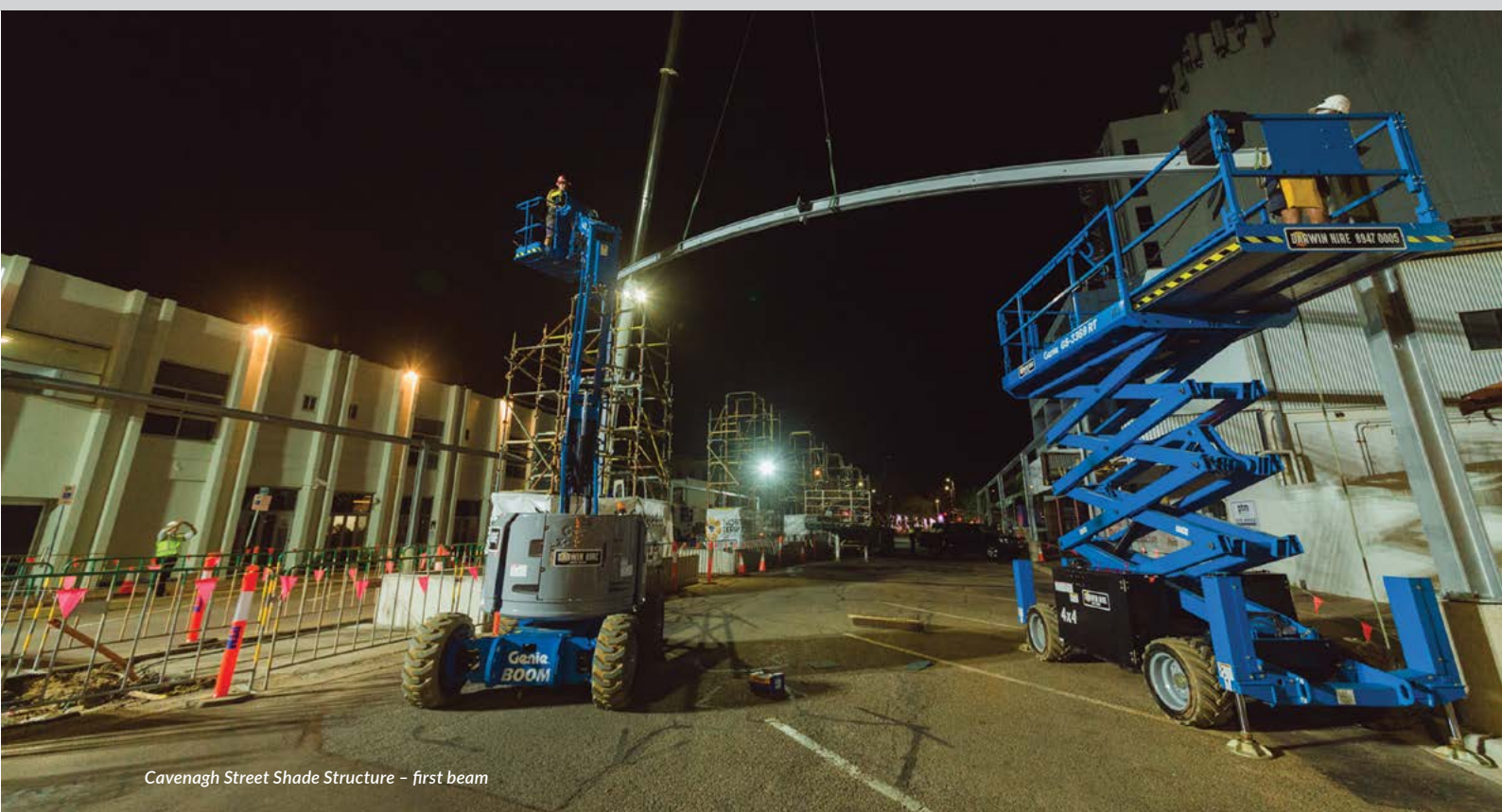
The Contractor Compliance unit delivered workshops to department project managers to build on existing knowledge to develop and populate risk registers.

The Contractor Compliance unit developed a list of tasks that may be performed by department project managers that require Safe Work Method Statements to be developed.

Work units used industry resources to help project manage delivering a peak infrastructure spend.

Computer Aided Design (CAD) was moved to a subscription based licence, reducing costs and ensuring the department's design teams have access to the latest design features, flexible 3D modelling and Building Information Modelling (BIM) to support delivery of quality infrastructure.





Cavenagh Street Shade Structure – first beam

## INFRASTRUCTURE, INVESTMENT AND CONTRACTS KPIs

Key Performance Indicator	2016–17 Actual	2017–18 Actual	2018–19 Estimate	2018–19 Actual	2019–20 Budget
Infrastructure, Investment and Delivery					
Average days to award tender	NA	24	28	35	28
Award construction contracts to local enterprises	95%	99.4%	95%	98.8%	95%
Building assets inspected	12%	55%	33%	33%	33%
Work, Health and Safety Audits <sup>1</sup>	NA	78%	77%	75%	77%
Indigenous Development Plan Audits <sup>1</sup>	NA	78%	77%	74%	77%

1. The KPI is benchmarked against a total population of 200 contracts awarded based on tenders awarded in the previous year. In some instances, contracts of high value/high risk have been audited multiple times over the reporting period. Regardless of audit frequency, the count remains as 1 contract audited. This multiple auditing is reflected in a slight percentage decline against performance target.



## Highlights and Achievements

### DARWIN CBD REVITALISATION

The \$200 million Darwin City Deal is a 10 year plan that will position Darwin as a vibrant and liveable tropical city while transforming Darwin's CBD into a cool, tropical, world renowned destination to attract more people and jobs.

The Northern Territory Government has partnered with the Australian Government, City of Darwin and Charles Darwin University, working with the local community to build on Darwin's strengths, and make it an even better city in which to work, study and live.

Two key developments kickstarting the ambitious project to cool Darwin city and enhance development and access are well underway including the Cavenagh Street Shade Structure and heat mitigation trial, and the State Square Underground Car Park.

The two projects are part of the Northern Territory Government's \$100 million commitment to the Darwin City Deal.

A third project, Garramilla Boulevard is being delivered by Transport and Civil Services, and will complement the City Deals 10 Year Plan.

### STATE SQUARE UNDERGROUND CAR PARK

Work has continued to build a 450-space, three level underground car park under parkland next to Parliament House in Darwin city.

The new car park will replace four heat generating, above ground car parks in the middle of the city and will double as a new cyclone shelter for city residents.

The removal of above ground carparks will make way for the Civic and State Square to be redeveloped into a cool, green space for families and visitors to enjoy and gather for local events.

A local company started work on the \$19.4 million car park in May 2018 and construction is due to be completed in late 2019.

More than 60 direct jobs were created during the project as well as an additional 165 jobs during construction.

### CIVIC AND STATE SQUARE PRECINCT

A tender to develop a masterplan for the redevelopment of Civic and State Square Precinct was awarded in February 2019 to establish a thriving, beating heart in the CBD and create greater connectivity between the city's significant civic buildings and historical sites.

The masterplan will also consider potential locations for a planned art gallery as part of the 10 Year Museums Master Plan for Darwin and Palmerston.

The Chan Building will be demolished to create more green space for the precinct.

The masterplan is expected to take six months to complete and will involve extensive community and industry consultation.

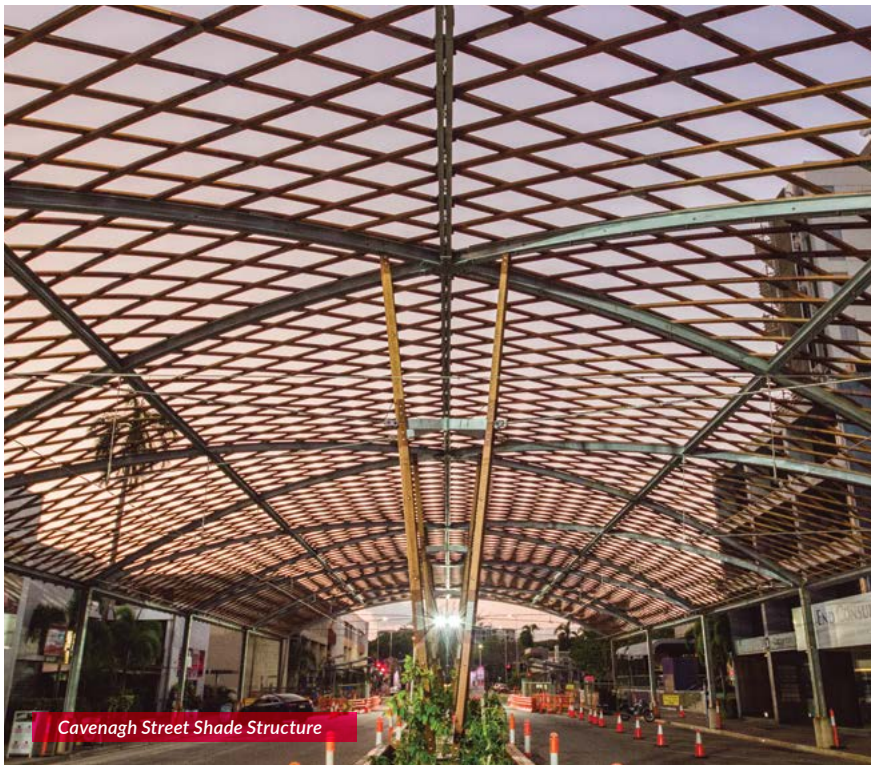


State Square Underground Car Park - construction



Civic and State Square Precinct - Masterplan concept





## CAVENAGH STREET HEAT MITIGATION TRIAL

The Cavenagh Street heat mitigation trial responds to heat mapping research that revealed the street as one of the hottest locations in our city.

Stage 1 construction of a 55 metre pergola style shade structure across a section of Cavenagh street (including lighting and water misters), and greening and cooling improvements to mitigate heat on Cavenagh Street was awarded to a local contractor and works were completed in late 2018.

During the first stage of the trial the City of Darwin constructed shade structures and a green wall on the corner of Bennett Street and Cavenagh Street and planter boxes were installed to help green the street.

Stage 2 of the Cavenagh Street Heat Mitigation Project included planting new trees along the street and installing a heat reflective road surface to reduce pavement temperature. A contract for the redevelopment works was awarded to a local contractor and works were completed in June 2019.

The impact of the heat mitigation works will be monitored over the next 12 months to gauge the effectiveness of the individual elements.

## AUSTIN LANE ACTIVATION

Austin Lane in the Darwin CBD will become a more pedestrian friendly and green space as part of a \$2 million project to activate laneways in the city.

A tender was awarded for the Austin Lane Streetscape Project

in June 2019 and will focus on walkways between Cavenagh Street and the Smith Street Mall.

New trees will be planted and two new covered walkways built to cool the area, while seating will be installed and kerbing upgraded to make it more pedestrian friendly.

Already an exciting space showcasing local murals through the Darwin Street Art Festival, the lane will become more attractive and encourage outdoor events and al fresco dining options for local businesses and residents.

Work started on the project in June 2019 and is expected to be completed by the end of 2019.

# INFRASTRUCTURE, INVESTMENT AND CONTRACTS

## WARREN PARK

The new \$25.3 million home for local rugby league at Warren Park is now complete following the fit out of the South Darwin Rugby League Club House. The construction of the stadium was delivered by a local company and created about 120 jobs, while engaging more than 60 local businesses throughout the works. The facility has been built to national standard and includes:

- three fields
- a grandstand of over 1200 seats
- four change rooms
- corporate facilities
- food and beverage facilities
- onsite storage for clubs
- car parking for more than 500 cars.

The facility has space for temporary grandstands to increase capacity when required. NRL NT will be based at the stadium complex, allowing the code and local competition to be run from the main stadium.



Warren Park Rugby League Stadium

## DARWIN HIGH SCHOOL STEAM (SCIENCE, TECHNOLOGY, ENGINEERING, ARTS AND MATHEMATICS) CENTRE

Demolition started at Darwin High School in mid-2018 to make way for a new Science, Technology, Engineering, Art and Mathematics (STEAM) centre.

The new \$16 million STEAM centre is being built on the existing Bullocky Point education precinct and has already created more than 300 jobs.

Several existing workshops and classrooms were demolished during the 2018 June and July school holidays and the ongoing construction of the new centre has been carefully programmed around the activities at the school, including working outside of normal school hours.

The project includes building a large adaptable learning space, fabrication lab, teacher's preparation areas

and ablutions with links to the school's existing facilities.

The centre was designed by a locally renowned architect with an industrial style theme using the raw materials of exposed concrete, stainless steel and timber work.

The Northern Territory Government has committed \$39 million to develop the Bullocky Point precinct, with the STEAM centre one stage of the ongoing project.

Construction of the centre is at the final fit out stage and it is expected to be completed by July 2019.

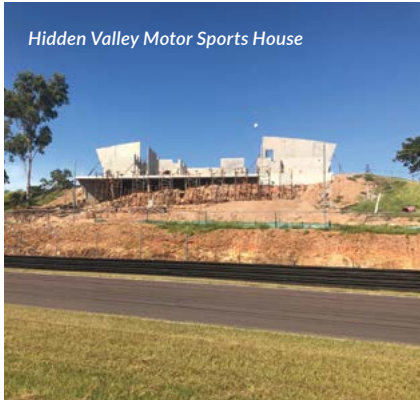
## NEW MOTOR SPORTS HOUSE AT HIDDEN VALLEY MOTOR SPORTS COMPLEX

A new Motor Sports House is being constructed at the Hidden Valley Motor Sports Complex. The \$4.9 million contract for the design and construction of the new motor sports house was awarded to a local Territory company.

More than 160 000 spectators visit the Hidden Valley Motor Sports Complex each year for a range of motor sports events including the V8 supercar championship series, motorcycle competitions, drag racing, speedway, go-karting, mud racing and quad bike racing events. The new motor sports house will provide a quality venue for local clubs and visitors with facilities including:

- hot desk facilities
- new administration space
- training and conference rooms
- viewing deck and function room to cater for up to 200 people.





Hidden Valley Motor Sports House

The new Motor Sports House will complement the range of recent upgrades currently underway to the complex, including new broadcast quality lighting to the drag strip track, hydraulic upgrades and new safety tyre walls.

This project will support approximately 30 local jobs, with construction anticipated to begin mid-November. The new Motor Sports House is expected to be completed by August 2019.

### **PALMERSTON REGIONAL HOSPITAL HYDROTHERAPY POOL**

The hydrotherapy pool is now complete at Palmerston Regional Hospital (PRH).

The \$3.1 million aquatic facility was awarded to a local company and has created 20 jobs. The hydrotherapy pool is co-located with the new Northern Territory centre of excellence for rehabilitative care, providing 24 beds with outdoor courtyards, rehabilitation spaces and a gym.

The hydrotherapy pool will be available for PRH inpatients and rehabilitation outpatients, who would have previously had to travel to the Darwin Private Hospital for aquatic physiotherapy.



Palmerston Regional Hospital hydrotherapy pool

### **NEW INDOOR NETBALL STADIUM**

The Northern Territory Government brought forward \$10 million to fast-track delivery of the new Darwin Netball stadium at Marrara Sporting complex, with the Australian Government contributing \$8 million in funding secured by Netball NT.

An additional \$1.8 million of Northern Territory Government funding was provided to create sufficient car parking to alleviate parking issues at the netball venue. The new facility includes four indoor, air-conditioned courts with an international standard show court with 2000 seats and broadcast-standard lighting.

A local company was awarded the \$19.4 million construction contract in September 2017. Site works began in December 2017 and the work was completed in December 2018 and supported 110 jobs. The facility was officially opened in January 2019.

### **ROYAL DARWIN HOSPITAL MULTI-STOREY CAR PARK**

The new multi-storey car park at Royal Darwin Hospital created more than 150 jobs during the construction phase, including nine Indigenous trainees, and provides 340 additional parking spaces at the hospital, increasing the total to 448.

A local construction company won the \$12 million contract, with final designs providing for a six-storey car park.

The design allows for one additional floor to be added as the population expands.

The additional parking has significantly reduced pressure on Carpark 1 and the Emergency Department carpark, improving access and availability for emergency and vulnerable patients.

# INFRASTRUCTURE, INVESTMENT AND CONTRACTS

## YOUTH JUSTICE CENTRES

A 10 Year Strategic Youth Justice Infrastructure master plan is being developed for the Northern Territory to improve youth justice services.

The Northern Territory Government has committed \$10million for new amenities and infrastructure at the Alice Springs Youth Detention Centre and \$60million for a new, purpose-built youth justice centre in Darwin.

The new centre will replace the existing Don Dale Youth Detention Centre and support the recommendations made by the Royal Commission into the Protection and Detention of Children in the NT.

An initial site for the new youth detention centre in Pinelands in Darwin was investigated but was considered unsuitable following concerns during community consultation, potential impacts to existing industrial land sites as well as traffic and essential services.

Further investigations have been undertaken into alternate sites.

A number of potential locations for a new youth justice centre were assessed in Alice Springs and also found unsuitable, due to the close proximity to residential areas. In the short-term existing infrastructure will be redeveloped to better meet the needs of at-risk young people, detention centre staff and visitors.

Refurbishment of the existing Alice Springs facility will include additional infrastructure for rehabilitation programs, one-on-one and group meeting rooms and spaces for education, training and outdoor education.

## LUDMILLA PRIMARY SCHOOL – STAGE 1

One of Darwin's oldest schools has had a \$7.4 million upgrade to improve the education benefits for young Territorians.

Two dedicated early learning centres and 11 classrooms were opened at the 50-year-old Ludmilla Primary School in May 2019. The project was complex with renovation works being carried out while the school was still operating.

Key elements of this project include refurbished early childhood internal and external areas, refurbished general learning areas on ground and upper floors, a refurbished entry area, reception and administration building, air-conditioning, landscaping and bike path.

Work began on the school refurbishment and upgrade in July 2018 and included flood mitigation measures to protect the low lying school and improved access for people with disabilities.

A new play area was built for students as well as a pre-school with capacity for 44 children and a supported playgroup and a Families as First Teacher site.

A local contractor was awarded the \$6.6 million construction contract in June 2019 for the Stage 1 refurbishment works, and works were completed in time for Term 2, 2019.

## PET SCANNER, CHEMOTHERAPY AND CYCLOTRON PROJECTS

The Australian and Northern Territory governments have co-funded a Positron Emission Tomography (PET) Scanner for the Northern Territory. The Australian Government provided \$15 million and the Northern Territory Government an additional \$6.23 million for the project.

The PET Scanner facility, which is co-located with the Imaging Department on the ground floor of the Royal Darwin Hospital main ward building, was completed and handed over in November 2018.

A contract for the construction of the Chemotherapy Expansion at the Alan Walker Cancer Care Centre (separately funded by the Northern Territory Government for \$5 million) and a facility to accommodate the Cyclotron was awarded to a local company for \$10.6 million in March 2018.

Works for the chemotherapy chair expansion began in March 2018 and the facility was completed and handed over in February 2019.

The Cyclotron Facility is due for completion in mid 2020.





*Myilly Point Playground - concept*

## MYILLY POINT PLAYGROUND PRECINCT

A tender to design and construct a new playground precinct at Myilly Point was released in May 2019.

The project will include landscaping and is located on the historic Kahlin Compound and Old Darwin Hospital site.

The works will acknowledge the history and cultural significance of the site to the Stolen Generation who lived in the Kahlin Compound.

The project will create cool, active spaces for Territorians of all ages at the site, including:

- youth zone – basketball half court, skate area, tropical landscaping and services
- adventure play zone – shaded play equipment, active climbing areas, balance beams and seating.

The playground precinct will also have a shaded central picnic area with barbecues, a looped walking and running track, with one kilometre and 1.6 kilometre options.

The project will allow for future broader development of the site at a later time if required.

The tender for the design work is expected to be awarded in July 2019, with work expected to begin on the project in September 2019 and completed in February 2020.

## HOUSING AND STRATEGIC PROJECTS

The Housing and Strategic Projects team is nearing completion of the final stages of the National Partnership Remote Housing program, involving building 306 replacement and new homes, and upgrades to 1302 homes. This is a

major achievement with the team working in more than 53 remote and regional communities across the Northern Territory, including many remote islands. The final years of the program involved the department designing, procuring and delivering infrastructure and subdivisions to maintain serviced land availability to continue to meet the tight timeframes of the construction program.

Thirty five per cent of all housing construction tender packages were targeted at local Indigenous employees, providing many opportunities for local training outcomes and involvement of the communities.

# INFRASTRUCTURE, INVESTMENT AND CONTRACTS

## 2019–20 PRIORITIES

- Manage and deliver the Government's extensive infrastructure program, from capital works to minor new works and repairs maintenance.
- Develop a centralised model for infrastructure planning, management and delivery across the Northern Territory Public Sector to support organisational efficiency and strategic alignment.
- Deliver remote and urban housing on behalf of the Department of Local Government, Housing and Community Development.
- Deliver the construction of the \$45 million John Stokes Redevelopment.
- Complete stage 1 for the new Zuccoli Primary School upgrade, and commence construction of stage 2.
- Deliver the construction of a new \$25 million Palmerston Fire Station to create a modern, functional facility that caters for the growing needs for fire services to Palmerston and Darwin's inner rural areas now and into the future. The facility will include a two level building with operational spaces and emergency services training areas.
- Continue delivering upgrades and expand the fit-for-purpose Nightcliff Renal Unit, which will see an improved layout and environment for patients who receive dialysis and an additional four dialysis chairs to increase the capacity to 32 chairs. The project includes building a new clinical area adjacent to the existing Nightcliff Renal Unit.
- Complete construction of the new \$30 million Palmerston Police Station, including a watch house and a community centre. The new facility will provide a platform to deliver contemporary policing within the Palmerston and rural areas for the next 50 years.
- Continue delivering Turbocharging Tourism infrastructure projects, including:
  - o George Brown Botanic Gardens – upgrades to power, water, lighting and amenities to:
    - create jobs
    - open up the opportunity for the gardens and commercial operators to host bigger, multi-stage events across several lawns
    - build a new, multi-purpose visitor and community centre to replace the current outdated facilities
    - enable indoor, air-conditioned, all-season conference and event facilities in line with facilities offered at botanic gardens around Australia
  - o Litchfield National Park upgrades – develop new visitor sites in Litchfield National Park, including new swimming spots, four wheel drive tracks, new campgrounds and more picnic areas to provide much needed additional visitor capacity within the park. Additional funding of \$6.2 million was approved by the Northern Territory Government for 2019–20, in addition to existing program of \$11.3 million, for a total project budget of \$17.5 million to fast-track delivery of both stages of works
  - o Tjoritja/West MacDonnell National Park – design and construct a new adventure cycling track through Tjoritja/West MacDonnell National Park to support tourism and reinforce the Red Centre as the global mountain-biking destination
  - o Watarrka National Park – Iconic Five Day Walking Track – extend the two day walking track to design and deliver an iconic five day walking track at Watarrka National Park with an opportunity for upmarket boutique camp style accommodation, and enhance the Watarrka National Park Giles track walk
  - o Nitmiluk National Park – develop stage 1 of an iconic and immersive 52 kilometre





multi-day walking trail linking Nitmiluk National Park to a new 120 kilometre Manyallaluk mountain-bike trail network. The first phase of the first stage is to enhance day and multi-day walking trails linking Nitmiluk from the escarpment to the water

- o West MacDonnell Region – Hermannsburg Historical Precinct Upgrades – provide for conservation works to the Hermannsburg Historical Precinct and boost the West MacDonnell region’s cornerstone attraction as a must-see and do experience showcasing the historical significance of the site.
- Construct a new Bushfires NT headquarters at the Hughes Airstrip in Acacia Hill to support Bushfires NT to respond to and manage bushfire emergencies through an improved and integrated incident control room and a combination of incident control, training, volunteer information and support, and community and information.
- Deliver \$3 million in site activation and landscaping improvements to Myilly Point to provide a leisure area and playground for community use. As part of longer term plans for the remainder of the Myilly Point site, these will continue to be developed in consultation with the community, including Traditional Owners and representatives of the Stolen Generation, it is noted that these groups were consulted on this initial stage of the development.
- Continue working in partnership with Territory Families to plan and deliver infrastructure projects to support youth justice programs and initiatives.
- Continue delivering key infrastructure projects as part of the Darwin City Deals initiative, including:
  - o completing State Square Underground Car Park – this enabling project will see all existing surface grade carparks relocated to further develop and revitalise the State Square precinct. The underground car park will accommodate up to 450 vehicles and have a dual role as a cyclone shelter
  - o State Square Masterplan – the commission will be undertaken in two stages, with stage 1 delivering a masterplan to redevelop the State Square precinct, and stage 2 identifying and developing design for priority works that can be delivered within the available budget
  - o Austin Lane Streetscape Project – continue working in partnership with the City of Darwin to deliver projects that help transform Darwin’s central business district (CBD) into a more pedestrian-friendly space, focusing on creating cooling spaces between buildings
- o Smith Street – Greening to Smith Street works will focus on:
  - improving the streetscape to promote walkability, social interaction and visitor attraction
  - identifying opportunities to enhance the urban landscape
  - creating a safe and comfortable environment.
- Barkly Regional Deal – support the delivery of Barkly Regional Deal initiatives and deliver infrastructure projects funded through the historic joint 10 year \$78.4 million commitment made between the Australian Government, Northern Territory Government and Barkly Regional Council.
- Continue to work with the Department of Trade, Business and Innovation to develop and implement a new Aboriginal Contracting Framework to provide improved opportunity for Aboriginal Territorians and local industry to participate in delivering Government works.
- Continue to support the implementation of Procurement Reforms for the Buy Local Plan and Value for Territory Framework to ensure the maximum amount of every dollar spent by the Government on infrastructure works is retained within the Northern Territory.

# LANDS AND PLANNING

The Lands and Planning Division provides strategic and long-term integrated land and infrastructure planning that supports community needs, sustainable economic development and future growth across the Northern Territory.

The division captures, manages and provides access to geospatial data and land-related information for the Northern Territory. It provides a range of regulatory and customer services in relation to land and the built environment, including administrative support for a number of statutory boards.

The division is responsible for the Crown Land Estate and provides management and administration services, including releasing land to meet commercial and community needs. The division's services are delivered across the Northern Territory through offices in Darwin, Katherine and Alice Springs.

The two regional offices service a combined area of about 1.2 million square kilometres, including the towns of Ti Tree, Tennant Creek, Elliott, Borroloola, Daly Waters, Larrimah, Mataranka, Timber Creek, Pine Creek and Kalkarindji.

## PLANNING

Planning is responsible for undertaking strategic and long-term integrated land use planning as well as providing development control processes under the *Planning Act 1999*. The work of the Planning unit supports the community's needs, sustainable economic development and the future growth of the Northern Territory.

The Planning unit includes professional staff and is supported by administration officers that undertake a variety of customer service, compliance, secretariat and community engagement activities.

The work unit offers an integrated approach to statutory and strategic planning and provides the following services to members of the public and industry, other Government departments and statutory bodies:

- processing planning applications for development or rezoning land
- advice and assistance on regulatory requirements and processes
- preparing land use plans and policies
- administering public consultation processes in relation to land use plan and policy development
- compliance and enforcement services for the *Planning Act 1999*.

The Planning unit provides administrative support to the Development Consent Authority and the Northern Territory Planning Commission.



## LEAH CLIFFORD

**Deputy Chief Executive,  
Lands and Planning**

*Leah and her team lead lands and planning for the Northern Territory by developing strategic plans and policies so Government can meet current and emerging needs for land and infrastructure. The division provides development and regulatory control and also plays a central role in managing the Northern Territory's Crown Land Estate and develops and maintains geospatial information to support long-term planning and land release. Supporting statutory boards and committees is a key aspect of the division's work.*

*Living in the Northern Territory all her life, including five years in Alice Springs, Leah began her career in the Northern Territory Government as a trainee and has worked in senior leadership and executive positions in several departments, including Lands, Planning, Housing, Transport and Infrastructure.*

*Leah has tertiary qualifications in economics, post graduate qualifications in town planning and management, and masters-level qualifications in public policy. Leah is also a graduate of the Australian and New Zealand School of Government (ANZSOG) Executive Fellows Program.*





## CROWN LAND ESTATE

Crown Land Estate administers about 55 000 square kilometres of vacant Crown land across the Northern Territory, including managing and maintaining weeds, fire breaks and drains for public safety and to meet legislative responsibilities under the *Weeds Management Act 2001*, *Fire and Emergency Act 1996* and *Bushfires Management Act 2016*.

The Crown Land Estate unit is responsible for the sale and grant of Crown land through public competitive processes and direct application to support economic development and deliver community infrastructure.

The unit acquires land to deliver strategic infrastructure, such as roads and service corridors, and to support Government initiatives. It administers about 700 Crown leases and special purposes leases including 145 through the Alice

Springs Southern Region office and 100 through the Katherine Northern Region office.

The unit administers the Frances Bay Mooring Basin and associated wharves, including Fisherman's Wharf, Raptis Wharf, Hornibrooks Wharf and Careening Poles, and the Sadgroves Creek Moorings. These facilities provide important services to the commercial fishing fleet and other marine industries.

## ABORIGINAL LAND

The Aboriginal Land unit works in consultation with the Department of the Chief Minister, the Department of the Attorney-General and Justice and other Northern Territory Government departments to progress and resolve historic Aboriginal land claims, native title claims for land release, Community Living Area applications and other Aboriginal land matters relating to the Crown Land Estate.

The unit is responsible for:

- researching and preparing reports on land claims lodged pursuant to the *Aboriginal Land Rights (NT) Act 1976*
- researching and coordinating information on native title matters, including providing reports for native title proceedings in the Federal Court
- completing and implementing historic land claim settlement negotiations
- collecting and collating Government detriment information for land claim hearings
- negotiating and implementing native title settlements for land release
- processing applications for Aboriginal Community Living Areas pursuant to *Part 8 of the Pastoral Land Act 1992*



### DOUG LESH

Senior Director, Planning

*Doug has extensive experience in planning and development having held a number of positions in strategic planning and development assessment, both in Australia and the United States. Doug holds a Master of Urban and Regional Planning from the University of Sydney.*



### SHARON JONES

Director, Crown Land Estate

*Sharon holds a Bachelor of Applied Science (Environmental Management) from Deakin University and has a career that spans conservation, land management and tourism, including a two year stint as a tour guide in Africa. Sharon joined the Crown Land Estate division of this department as a project manager in 2006.*



### RAY SMITH

Director, Aboriginal Land

*Ray Smith joined the department in 1989 and has worked extensively in the fields of pastoral land management, Aboriginal land claims, Crown land administration, native title and land development. Ray served for 22 years in the Alice Springs Southern Region Office in a number of roles including Regional Director. He transferred back to Darwin in 2014.*

# LANDS AND PLANNING

- developing, populating and maintaining a tenure history database for use in native title proceedings.

The unit works towards resolving all claims on Crown land under the *Aboriginal Land Rights (NT) Act (ALRA)*, and the *Native Title Act*.

## LAND DEVELOPMENT

The Land Development unit is responsible for planning and delivering land servicing related infrastructure to support land development and long-term population growth in the Northern Territory, including:



### GRAEME FINCH

Senior Director, Land Development

*Graeme joined the department in July 2013, working with the Land Development Unit.*

*Graeme gained broad experience across the development industry prior to joining the Northern Territory Public Sector. Graeme has worked in project management and development management roles for significant developments in Western Australia and the Northern Territory within the civil construction and development industries.*

*Graeme has a Masters degree in environmental management and has worked in America, the United Kingdom and Australia.*

- supporting the Northern Territory Planning Commission (NTPC) to fulfil its strategic planning role through integrated infrastructure planning to support the preparation of land use plans
- managing and delivering the Land Development Program – a pipeline of land servicing infrastructure projects to support the implementation of the NTPC's plans, which supports developing Crown land and private land
- providing technical advice to support the release and administration of Crown land development leases and assets
- developing infrastructure related policies such as Subdivision Development Guidelines
- implementing the recommendations of the Darwin, Katherine and Alice Springs Flood Mitigation Advisory Committees to mitigate the impact of flooding across the Northern Territory
- supporting Government's priority projects through precinct planning and undertaking land servicing investigations.

## BUILDING ADVISORY SERVICES

Building Advisory Services (BAS) is responsible for administering the *Building Act 1993* and *Plumbers and Drainers Licensing Act 1983* (except provisions relating to regulation and licensing of occupations), and the *Swimming Pool Safety Act 2004*. It also administers the Home Building Certification Fund (HBCF). The unit employs a range of administrative,



### FABIO FINOCCHIARO

Executive Director, Land Services

*Fabio has extensive experience in the lands and planning area having worked in management and leadership roles since 1990 in the areas of Statutory Planning, Building Control and Land Information. Fabio has developed extensive experience in management, strategic roles and has led major legislative reforms.*

professional and technical staff and provides the following services to members of the public and industry and other Northern Territory Government departments:

- advice and assistance on regulatory requirements and processes
- swimming pool barrier advice and certification services
- assessment and rectification services for existing HBCF policies
- compliance and enforcement services for the *Building Act 1993* and *Swimming Pool Safety Act 2004*.

BAS provides administrative support to the Building Advisory Committee, Building Appeals Board, Valuation Board of Review Panel and the Swimming Pool Safety Review Committee.





Heavitree Gap, Alice Springs



## LAND INFORMATION AND SPATIAL ANALYTICS GROUP

The Land Information and Spatial Analytics Group provides geospatial and valuation advice with supporting geospatial data, systems and mapping to support the Northern Territory Government, land development industry, business and the public. The group provides infrastructure for cadastral, geodetic, positioning and geospatial data systems that are used extensively throughout Government and the community.

Through the innovative use of technology and process, the group delivers land information and geospatial data online through a range of desktop and mobile devices in real time.

The Land Information and Spatial Analytics Group systems

provide base-level and enhanced land information to underpin the Northern Territory's economic development.

The Land Information and Spatial Analytics Group incorporates the following four functional areas:

- **Geospatial Services** – provides specialised digital data services and mapping, including an annual Government-wide aerial photography and mapping program
- **Northern Territory Land Information Systems (NTLIS)** – provides a consolidated shared service for geospatial data infrastructure, enterprise licensing across Government for geospatial products and services
- **Survey Branch** – provides survey advice, maintains and develops cadastral, geodetic

and positioning infrastructure, administers the *Licensed Surveyors Act 1983* (except provisions relating to regulation and licensing of occupations) and the *Place Names Act 1967* and manages Northern Territory street addressing

- **Valuation Services** – provides valuation advice, statutory valuation services and valuation rolls for land rating and administers the *Valuation of Land Act 1963*.

The Land Information and Spatial Analytics Group employs a range of administrative, professional and technical staff. The group provides support to the Place Names Committee.



# LANDS AND PLANNING

Katherine Fire Station - early construction



## Fast Facts

MORE THAN **300** CROWN LAND PARCELS TREATED TO CONTROL DECLARED WEEDS



PHOTOGRAPHED AND MAPPED  
**6** TOWNS **25** REMOTE COMMUNITIES



**10 696** BUILDING APPROVALS  
LODGED IN 2018-19







## 2018–19 STRATEGIC OBJECTIVES

### PRIORITY: Long-term planning that integrates community needs with industry best practice

#### Actions

Completed the Northern Territory Planning Commission land use planning process for Central Darwin, Central Alice Springs and Tennant Creek, including public consultation.

Completed an amendment to the Northern Territory Planning Scheme that introduced new rules for the use of private heliports.

Reviewed and updated the Kilgariff Area Plan to include more guidance for the future staging and development of Kilgariff.

Continued infrastructure and development planning for the Katherine Agribusiness and Logistics Hub and the Katherine East Neighbourhood Centre.

### PRIORITY: Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio

#### Actions

Supported Major Projects to progress a range of significant developments, including the Darwin Luxury Hotel and Project Sea Dragon.


Continued preliminary investigations to support the future of Weddell and Cox Peninsula, including the preparation of Gap Analysis and Status Reports.

Undertook investigations and concept headworks infrastructure design to support land development in Kalkarindji and Daly Waters.

Continued to implement the recommendations of the Darwin, Katherine and Alice Springs Flood Mitigation Advisory Committees, including hydraulic modelling, design and delivery of flood mitigation infrastructure.

Commenced preliminary investigations to support the development of Katherine East Neighbourhood Centre.

AERIAL PHOTOGRAPHY CAPTURED (INC. 1 100KM<sup>2</sup> OF ALICE SPRINGS REGIONAL)

**84**   
RESIDENTIAL  
LOTS TITLED IN  
2018–19 AFTER  
CROWN LAND  
RELEASE

**634**   
PLANNING APPLICATIONS  
PROCESSED IN 2018–19

 **350+** NEW RESIDENTIAL LOTS  
TITLED IN 2018–19 AFTER  
CROWN LAND RELEASE

**3 055km<sup>2</sup>** 

# LANDS AND PLANNING

## PRIORITY: Deliver innovative, well-regulated and sustainable services

### Actions

Progressed the release of industrial and residential land in Tennant Creek.

Progressed the second sub-stage of the Katherine East residential land release project.

Facilitated two offers for the direct sale of Crown land.

Received six new applications for grant of leases for community infrastructure.

Processed 177 applications for licences to use the Frances Bay Mooring Basin and associated wharves.

Progressed the Northern Territory Government's Capital Acquisition Program to meet Government's land needs.

Progressed eight historical Aboriginal Land Claims and six Aboriginal Community Living Areas applications over pastoral leases.

Completed tenure history reports for six consent determination of native title over pastoral leases.

Supported the Place Names Committee to develop enhancements to Aboriginal place naming in the Northern Territory.

Continued migrating the department's geospatial data to the new Geocentric Datum of Australia 2020 and test applications to transform other Land Information and Spatial Analytics Group data sets.

Completed the unimproved capital value programs for nine regional council areas (including Tennant Creek), the municipal areas of Alice Springs and Litchfield and pastoral leases issued under the *Pastoral Land Act 1992*.

Maintained data infrastructure to ensure accurate and up to date access to land information for Government, industry and the public.

Provided Government-wide aerial imagery and topographic information, map products and data services.

Continued to review the current Northern Territory statutory valuation service delivery model and framework.

Participated in the national Australian Building Codes Board meetings and Building Codes and Plumbing Codes committee meetings

Continued to increase access to building files online through a progressive file digitisation program.

## PRIORITY: Create an organisation with the values, capacity and capability to deliver effective services

### Actions

Continued to expand and enhance the capabilities of the eDA online system, including the addition of a fast-track certificate of compliance process and enhanced reporting functions.

Staff have undertaken training and are supported to develop the skills required to implement the division's priorities.



## LANDS AND PLANNING KPIs

Key Performance Indicator	2016-17 Actual	2017-18 Actual	2018-19 Estimate	2018-19 Actual	2019-20 Budget
Average processing time for development applications (No. of days)	55	54	55	53	55
Proportion of projects progressed under the land development program to support economic development and community needs	NA	NA	90%	91%	90%
Major land use and urban planning projects undertaken to cater for future growth <sup>1</sup>	10	10	13	15	13
Building practitioners audited (Refers to practitioners registered under the <i>Building Act</i> )	43	51	50	51	50
Investigated complaints finalised <sup>2</sup>	67	88	100	171	100
Swimming pool safety barrier inspections undertaken within three weeks	100%	100%	90%	100%	90%
Availability of access to the NT Land Information Systems (NTLIS) environment meets defined standard	100%	100%	99%	100%	99%
Survey plans approved in six working days	91%	93%	90%	91%	90%
Aerial photography and mapping projects acquired in accordance with established refresh cycle <sup>3</sup>	98%	96%	95%	83%	95%
Native title, land claim and Aboriginal land issues progressed or resolved	25	25	25	25	24

1. The variation in 2018-19 reflects greater focus on major land use and urban planning projects, with resourcing reprioritised from integrated strategic plans.

2. Completed investigations include those dismissed, completed or referred to the Building Practitioners' Board or the courts.

3. Resources deviated in 2018-19 for Aerial and Mapping for Cyclone Trevor Emergency Response explains decrease.

## Highlights and Achievements

### PLANNING REFORMS

The Northern Territory Government is committed to reforming the planning system in the Northern Territory to enhance transparency and integrity in Government.

The reforms are in response to concerns from the community and industry about improving development outcomes.

After releasing a discussion paper and consulting the community and industry in 2017, a second round of consultation was undertaken in July 2018 based on the feedback received. A more detailed reform agenda was presented in a Directions Paper and Phase 1 Priority Reforms Paper.

The reform agenda aims to make the system understandable and accessible and increase community and industry confidence in the decision making process for planning.

Once the reform agenda is refined, the department will draft changes to the *Planning Act 1999* and Northern Territory Planning Scheme.

It is anticipated that a draft bill and potential changes to the Planning Scheme will be released for consultation in late 2019.

### FLIGHTPATH ROAD / BERRIMAH NORTH

The Berrimah North area plan provides for commercial, industrial and residential development. Berrimah North is the area located between McMillans Road to the north, Amy Johnson Avenue to the west, Vanderlin Drive to the east and the Stuart Highway to the south.

A key piece of infrastructure to support the development of the Berrimah North Area Plan is Flightpath Road. The road has been designed to be constructed in a

number of stages and in April 2019 a local company was awarded the contract for \$6.3 million including GST for Stages 1–3. Works are underway and anticipated to be complete in December 2019.

Detailed concept designs are underway to support investment in the downstream trunk sewer, a sewer pump station and gravity and rising mains.

### FLOOD MITIGATION

#### Yarrowonga

The Yarrowonga flood mitigation works in Palmerston include upgrading underground stormwater drainage in Pierssene Road and Tulagi Road and upgrading surface drains along Stuart Highway, McKenzie Place and Wallaby Holtze Road.

These works aim to increase the stormwater trunk drain capacity in







## KATHERINE EAST NEIGHBOURHOOD CENTRE

The Northern Territory Planning Commission has progressed an area plan for Katherine East that includes planning for a future neighbourhood centre.

The development of the Katherine East Neighbourhood Centre is part of the flood mitigation committee's recommendations and the direction of the Katherine Land Use Plan to guide the delivery of a neighbourhood centre.

Various site investigations for the Katherine East Neighbourhood Centre have been undertaken, including environmental, land capability, traffic management, Aboriginal areas, stormwater management and social infrastructure assessments. Concept headwork infrastructure design is underway.

The project is being part funded by \$11 million of flood mitigation works to remove the main business district to support the community during large flood events.

The second stage of consultation has started for the draft area plan.

the area and mitigate flooding that occurs during small storm events.

The flood mitigation works are being delivered as part of the Stuart Highway/Tulagi Road upgrade project in conjunction with project partners to ensure safe and improved roads and access in this locality.

A local Territory company was awarded a contract in October 2018 to deliver the \$5.5 million project, supporting more than 50 local jobs over its lifetime.

The work is expected to be complete before the start of the 2019–20 wet season.

### Wadham Lagoon

The Wadham Lagoon flood mitigation works in Howard Springs will increase the capacity of the Wadham Lagoon trunk drains and mitigate flooding to upstream properties. Extensive flood modelling has been undertaken to ensure the

risk of flooding to upstream properties is not transferred to downstream properties.

These works have been awarded in two stages, with Stage 1, including the construction of a new high-flow culvert under Whitewood Road, completed in 2017.

A water gauge has been installed at the site of the new culvert to monitor the levels of Wadham Lagoon. This is part of an overall monitoring system to be in place once the Stage 2 works are completed.

Stage 2 works involve upgrading the downstream sections of the trunk drain through Crown land, under Litchfield Council roads and through private land, in agreement with land owners. These works were awarded to a local contractor in early 2018.

The \$2.5 million project is expected to be completed before the start of the 2019–20 wet season.

## 2019–20 PRIORITIES

### Planning

- Support the Northern Territory Planning Commission to progress and complete:
  - o a review of the building design requirements in the Northern Territory Planning Scheme for mixed use and higher density residential buildings
  - o the Humpty Doo Rural Activity Centre Area Plan
  - o the Katherine East Area Plan
  - o the Central Palmerston Area Plan
  - o a review of the land use planning framework for Gunn Point
  - o an area plan for the northern suburbs of Darwin
  - o an area plan for East Arm, Berrimah, Pinelands and Kowandi North.
- Progress amendments to the Northern Territory Planning Scheme that:
  - o support subdivision of land in areas where ground water is over allocated
  - o support appropriate levels of car parking in the Darwin CBD.
- Progress with implementing the first phase of Planning Reform.
- Contribute to creating knowledge that provides a tropical design guide for private and public spaces within the Darwin CBD (a City Deals initiative).

- Provide professional advice to the Development Consent Authority, the Northern Territory Planning Commission and Minister for Infrastructure, Planning and Logistics on development, exceptional development permits, planning scheme amendments and concurrent applications.
- Timely processing of planning and development approvals.

### Crown Land Estate

- Progress the sale or lease of Crown land sites to help deliver development projects and community infrastructure in accordance with the Release of Crown Land Policy.
- Progress the Northern Territory Government's Capital Acquisition Program to deliver Government projects and initiatives.
- Monitor Crown leases and licences issued for development and community purposes.
- Manage Crown land to meet the needs of Government and the community.
- Manage the Frances Bay Mooring Basin and associated wharves to provide services to maritime industries.
- Support and provide advice to Government departments and proponents to deliver major projects and land tenure.
- Continue to manage development agreements for residential and industrial subdivisions at Zuccoli, Muirhead North, Humpty

Doo, College Road, Berrimah Farm and Katherine East.

### Aboriginal Land

- Produce tenure history reports for all pastoral leases programmed for consent determination of native title.
- Continue discussions with land councils to progress resolution of native title.
- Continue to resolve historic outstanding land claims under the *Aboriginal Land Rights (NT) Act 1976*.
- Continue to develop a comprehensive database of historical land tenure in the Northern Territory.

### Land Development

- Progress policy development, including the Subdivision Development Guidelines.
- Plan for the delivery of industrial land in Alice Springs.
- Continue to support the Northern Territory Planning Commission to fulfil its strategic planning role through integrated infrastructure planning to support the preparation of land use and area plans.
- Commence investigations to support the future preparation of a Weddell Sub Regional Plan and planning for Cox Peninsula.
- Continue to design infrastructure to support the Berrimah North Area Plan.
- Support the release of Kilgariff Stage 2 for development.



Frances Bay Mooring Basin

- Progress infrastructure development to support regional land release in Kalkarindji.
- Finalise design and alignment of structural mitigation measures in Katherine and commence construction works.
- Finalise the design of headworks infrastructure and commence construction to support the Katherine East Neighbourhood Centre.
- Continue undertaking the necessary work to implement the recommendations of the Darwin, Katherine and Alice Springs Flood Mitigation Advisory Committees.

#### Building Advisory Services

- Continue to increase access to building files online through a progressive file digitisation program, including in the Katherine and Alice Springs offices.

- Ensure legislation and policy is contemporary and adequate to appropriately regulate and support industry needs and community expectation.
- Participate in national building forums and finalise the internal review of composite panels used in building construction.
- Consult with industry on the Building Confidence Report released by the Building Ministers' Forum and proceed to develop and implement reform agenda to build confidence in the Northern Territory building regulatory framework.

#### Land Information and Spatial Analytics Group

- Continue migrating the department's geospatial data to the new Geocentric Datum of Australia 2020 and test applications to transform other Land Information and Spatial Analytics Group data sets.

- Maintain and further develop data infrastructure to ensure accurate and up to date access to land information for Government, industry and the public.
- Support the Place Names Committee to develop and implement an enhanced, complementary Aboriginal place naming process and procedures.
- Provide Government-wide aerial imagery and topographic information, map products and data services.
- Continue reviewing the current Northern Territory statutory valuation service delivery model and framework.
- Complete the unimproved capital value program for Katherine, Coomalie and Wagait.



# NORTHERN REGIONS

The Northern regional teams service a large and diverse area from Legune down the Western Australian border across to Lajamanu, east to Borroloola, up to Nhulunbuy, Bulman and north to Pine Creek, including all of Arnhem Land.

The northern region includes the Katherine and Nhulunbuy regional teams who work on projects for Lands and Planning, Infrastructure, Investment and Contracts and Transport and Civil Services.

The teams deliver a range of services including:

- lands and planning functions
- infrastructure and housing projects, including capital works and minor new works
- building repairs and maintenance
- transport and safety services
- road, aerodrome and barge landing repairs and maintenance
- vehicle inspection, registration and driver licensing services.

The teams include program and project managers, engineers, technically qualified staff, planners, lands officers, transport inspectors, MVR and business support administrators.

## KATHERINE

The Katherine regional team delivers services across a large and diverse area with a total area of about 430 000 square kilometres.

The team in Katherine has 44 staff, including 28 in Transport and Civil Services (21 Civil, three at MVR and four at Weighbridge), 10 in Infrastructure, Investment and Contracts (six infrastructure and four housing including one Aboriginal Employment Program trainee) and six in Lands and Planning.

## EAST ARNHEM

The Nhulunbuy regional teams delivers services across the East Arnhem region with a total area of 36 000 square kilometres.

The team in East Arnhem has 10 staff working across Infrastructure and Transport and Civil Services.



## PHIL HARRIS

Senior Director, Northern Region

*Phil leads the Katherine region, Infrastructure, Investment and Contracts and Transport and Civil Services team of 30 staff. This team is responsible for:*

- *project management and delivering capital works and minor new works program*
- *housing projects*
- *road, aerodrome and barge landing repairs and maintenance.*

*Phil has more than 40 years' experience in the construction industry in regional and remote areas including the Indian Ocean territories.*



Nhulunbuy (Gove) Port



## CLAIRE BROWN

Regional Director, Northern Region

*Claire is based in Katherine and leads the delivery of Lands and Planning functions of the Katherine northern region office and team of five staff. Claire is a Katherine local with more than 19 years' experience in the fields of primary production, land management and land development and planning.*



## GEORGE HUTCHINSON

Regional Director, East Arnhem

*George is based in Nhulunbuy and leads a team of nine staff who project manage a program of about \$80 million, delivering infrastructure and civil services to the East Arnhem region.*

## Highlights and Achievements

### INFRASTRUCTURE, INVESTMENT AND CONTRACTS

#### KATHERINE FIRE, RESCUE AND EMERGENCY SERVICES COMPLEX

Construction is complete on the \$8.5 million Katherine Fire Station and Emergency Services Precinct, which was officially opened in May 2019. The new facility will ease the previously cramped conditions for the Fire Crew, Emergency Services and Police in Katherine.

The contemporary design aligns to modern firefighting needs and will allow Northern Territory Police, Fire and Emergency Services (NTPFES) to provide services more effectively into the future, increasing emergency capacity and improving response times. The facility caters for 15 NTPFES staff and volunteers and features additional workspace for vehicles, safety equipment and new training facilities.

The Fire Station was built using local Darwin and Katherine-based

contractors, and supported up to 240 jobs during construction. The design is in line with the Katherine Flood Mitigation Strategy and the Katherine Land Use Plan, and will allow for the future relocation of the whole Katherine Emergency Service, enabling the NTPFES to provide more effective and efficient services for the Katherine region.

#### NITMILUK NATIONAL PARK WORKS

Infrastructure upgrades are underway at Nitmiluk National Park. The \$15.4 million project is designed to attract new visitors and increase stay duration by offering a range of new and enhanced experiences for visitors to the park.

Upgrades include the Katherine River crossing upgrade, which was completed in November 2018. A functional refurbishment of the Nitmiluk visitor centre which includes a substantial kitchen, café and retail upgrade and is anticipated to be complete in time for the park's 30 year Anniversary in September 2019.

Design is complete and construction is anticipated to begin in July 2019 on the new jetty facility, interpretive spaces are also in design, due for construction from September 2019.

Construction is anticipated to commence in August 2019 on the \$5.4 million trail project. This Turbocharging Tourism initiative will deliver works to enhance walking trails, expand facilities at Baruwei lookout and construct Nitmiluk National Park's first ever mountain bike trails.

The project to enhance walking trails and construct new mountain bike trails in the park has been designed in consultation with the Jawoyn Traditional Owners to recognise, celebrate and promote the spectacular landscape through improved access and support facilities. There will be increased Jawoyn cultural experience and connection to nature through new interpretive features. The upgrade works are anticipated for overall completion in December 2020.



Katherine Fire Station





Nitmiluk Stair Upgrade



Buntine Highway

## ANGURUGU AND ALYANGULA POLICE STATIONS

Construction on the new \$6.1 million Angurugu police station, including a multi-purpose court room was completed in May 2019 and supported 60 jobs.

Alyangula police station has received a \$1.8 million upgrade that was completed in June 2019. The upgrade includes a full internal refurbishment and construction of dog kennels and boat shed.

## ANGURUGU SCHOOL

In June 2019, work was completed for the delivery of \$7.65 million Angurugu School upgrades supporting 44 jobs.

The upgrades included new home economics and administration building, and new pre-school and Early Learning Centre.

## TRANSPORT AND CIVIL SERVICES

### BUNTINE HIGHWAY

Work began in June 2018 to improve the road quality, efficiency and safety of the Buntine Highway by strengthening and widening 39 kilometres of single lane seal and 15 kilometres of re-sheeting unsealed sections. The \$40 million Northern Australian Roads Program is jointly funded with \$32 million from the Australian Government and \$8 million from the Northern Territory Government.

This targeted upgrade will lead to immediate improvements in road safety by widening sections of the road from single lane seal through corners and crests up to a dual lane sealed road. This provides passing opportunities, particularly when overtaking road trains.

Further improvements include:

- better flood immunity and a reduction in load restrictions during the wet season
- reduced maintenance costs and stronger connectivity to remote communities and services, which is integral for developing agriculture, tourism, and mining industries in the Northern Territory.

Various sections between chainage 5 and 388 kilometres are in the process of being tendered, constructed or have been completed. All works are scheduled to be complete by June 2020.

Further sections will be upgraded through a new \$125 million program, with \$100 million from the Australian Government and \$25 million from the Northern Territory Government.

# NORTHERN REGIONS



## LAJAMANU ROAD

The northern part of the Lajamanu Road that connects Lajamanu to the sealed Buntine Highway is 105 kilometres long and largely unsealed. Sections of this road are often closed over the wet season due to flooding and the road becomes un-trafficable due to boggy conditions, with weight restrictions on the road that could last for months. These sections are being prioritised to be upgraded to a sealed road with floodways and culverts to improve year round access.

Priority upgrades included 2.5 kilometres of rehabilitation works, improved drainage, and sealing works from chainage 300 to 301.5 kilometres and 316 to 317.3 kilometres that were completed in September 2018.

A further 3.6 kilometres of upgrade works from chainage 317.3 to 320.9 kilometres are anticipated to be completed in September 2019.

## ADDITIONAL KATHERINE HIGHLIGHTS

- Katherine delivered \$63 million in roads/transport capital, minor new works and repairs and maintenance in the 2018–19 financial year.
- The department is working closely with Katherine Town Council to deliver the \$5 million Katherine CBD revitalisation project and \$3 million Leight Creek bridge construction.
- \$35.5 million construction of new high level bridges at the Little Horse and Big Horse Creek crossings on the Victoria Highway.
- The Keep River Plains Road upgrade will seal 27 kilometres, starting from the Western Australian Border and construct bridges over the Keep River and Sandy Creek to improve flood immunity, freight capacity and support the proposed Project Sea Dragon. This road upgrade is anticipated to provide more

than 150 jobs for Territorians and increase the economic development of the area through year round access.

## GOVE PORT

A master plan will be created for marine infrastructure in Nhulunbuy after the department set up a multi-agency project control group to identify future options to stimulate industry activity in the region.

The project control group was set up after Rio Tinto curtailed activity at its Gove mine site in 2014 and will investigate ways to attract economic activity to the area using the existing or new marine infrastructure at the port.

The group successfully supported an application for Australian Government funding to build a new jetty near the boat club and scope a master plan for a staged approach to investing in marine infrastructure over the next 50 years.





## ADDITIONAL EAST ARNHEM HIGHLIGHTS

- East Arnhem delivered \$4.5 million in roads/transport capital, minor new works and repairs and maintenance in the 2018–19 financial year
- Construction commenced in May 2019 on the \$2.9 million Ramingining link road upgrade and seal between chainage 77.97 to 81.32 kilometres. This project is part of the \$16 million Arnhem Link Upgrades Program to connect Ramingining and the West Arnhem area to the Central Arnhem Road.

## LANDS AND PLANNING

### KATHERINE AGRIBUSINESS AND LOGISTICS HUB

Work has continued to develop a \$30 million agribusiness and logistics hub in Katherine with preparation underway for the first stage of the industrial subdivision.

The intersection servicing the Katherine Agribusiness and Logistics Hub is undergoing design works and the project is on track to start construction by March 2020.

Site investigations have been conducted and the department is working on native title and land tenure requirements, which has guided a concept structure plan for the industrial subdivision over an area of 255 hectares.

An industry needs assessment has been completed for the hub, which aims to boost the local economy by generating short term construction jobs, supporting future agribusiness and mining in the region and establish new industries and businesses.

The hub will improve existing transport linkages between Katherine and Darwin, including the port and airport.

Subject to land tenure resolution, subdivision headworks construction is expected to commence in 2020.

## KATHERINE FLOOD MITIGATION PROJECT

The department is leading the implementation of flood mitigation measures for the Katherine region, as recommended through the Katherine Flood Mitigation Advisory Committee.

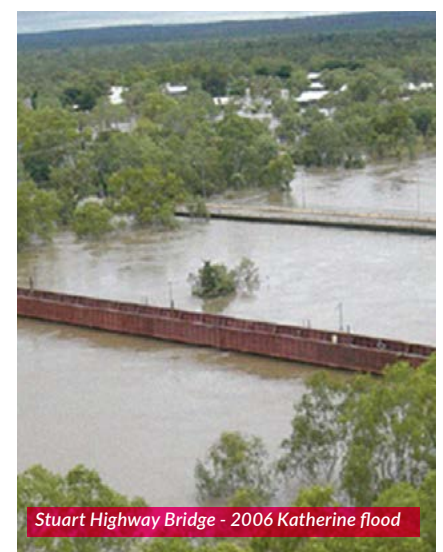
The Katherine flood mitigation program includes structural mitigation options assessment, flood resilience for the town and planning measures to provide commercial land outside of the flood zone within Katherine East.

Floor level surveys of approximately 1300 properties across Katherine has refined flood modelling and concept design work of proposed structural mitigation measures.

Further detailed analysis of flood impact benefits and confirmation of levee alignment is underway to inform detailed design in mid 2019.



Katherine Agribusiness and Logistics Hub - concept



Stuart Highway Bridge - 2006 Katherine flood



# SOUTHERN REGIONS



The Southern regional teams deliver services across a large area span, from the South Australia border up to the northern point of Newcastle Waters, across to the Western Australia border and Queensland border.

The southern region covers Central Australia and the Barkly Region, with offices in Alice Springs and Tennant Creek, and staff work on projects for Lands and Planning, Infrastructure, Investment and Contracts and Transport and Civil Services.

The teams deliver a range of services across an 829 000 square kilometre area, including:

- lands and planning functions
- infrastructure and housing projects
- transport and safety services
- capital works and minor new works
- building repairs and maintenance
- road, aerodrome and barge landing repairs and maintenance
- vehicle inspection, registration and driver licensing services.

The teams include program and project managers, engineers, technically qualified staff, planners, lands officers, transport inspectors, MVR and business support administrators.

## ALICE SPRINGS

The Alice Springs regional teams delivers infrastructure across the southern portion of the Territory, covering land between the South Australian north border to Barrow Creek and the Western Australian and Queensland borders.

The Alice Springs team has 77 staff, including seven in business support, 28 in Transport and Civil Services, 25 in Infrastructure, Investment and Contracts and 17 in Lands and Planning.

## TENNANT CREEK

The team manages the maintenance and construction of buildings and the road network across the Barkly Region, including remote communities from Borroloola in the north to Barrow Creek in the south and across to Camooweal on the Queensland border, a total area of about 240 000 square kilometres.

The Tennant Creek team has 11 staff, including six in Civil Services and five in Infrastructure, Investment and Contracts.

## SARAH FAIRHEAD

Senior Director, Southern Region

*Sarah joined the department in 2018 and oversees the department's functions and activities in the southern region, directly leading a team of 16 staff to deliver Lands and Planning functions. Sarah has 15 years of experience in public policy and project management roles in the South Australian and Northern Territory public services, including in Darwin and Alice Springs.*



Tennant Creek



### **DARREN WILLIS**

**Regional Director, Southern Region Infrastructure Delivery**

*Darren leads a team of 25 staff that include program and project managers, engineers, tradespeople and technically qualified staff and business support administrators.*



### **MAY TAYLOR**

**Director, Alice Springs Region, Transport and Civil Services**

*May provides oversight for the southern region of the Transport and Civil Services Division, leading a team of 19. The team includes project management and delivery staff for the transport program, Motor Vehicle Registry and transport inspectors.*



### **DARCY DUNBAR**

**Regional Director, Tennant Creek, Infrastructure and Civil Services**

*Regional Director, Tennant Creek, Infrastructure and Civil Services.*

*Darcy leads a team of 12 staff who project manage and deliver infrastructure and civil road services in the Barkly Region.*



## Highlights and Achievements

### TRANSPORT AND CIVIL SERVICES

#### OUTBACK WAY

The Outback Way continues to undergo major upgrades to support tourist, agriculture and mining industries.

A total of 33 kilometres of the Outback Way, which links Laverton in Western Australia to Winton in Queensland, was upgraded in 2018–19 with funding from the Australian and Northern Territory governments.

The upgrade included sealing 20 kilometres on the Plenty Highway for \$12.8 million and 13.1 kilometres of the Tjukururu Road was upgraded for \$9.6 million.

The upgrades improve overall safety and flood immunity, reduce road closures and increase access for residents and visitors to the area.

Future works under the program include sealing a further 35 kilometres of the Plenty Highway and 24 kilometres of the Tjukururu Road.

#### SAFETY IMPROVEMENTS

Safety improvements and intersection upgrades include:

- Tropic of Capricorn
- Stuart Highway/Tanami Road
- Maryvale Road/Roger Vale Drive
- a truck parking bay was installed on the Tanami Road

- Alice Springs delivered \$61 million in capital, minor new works and repairs and maintenance in the 2018–19 financial year
- construction commenced on the \$10 million Stuart Highway duplication – MVR to Herbert Heritage Drive.

#### TABLELANDS HIGHWAY UPGRADES

The Northern Australian Beef Roads Program is a partnership between the Northern Territory and Australian governments to upgrade strategic roads in the Barkly Region, including the Tablelands Highway and the Barkly Stock Route.

The Tablelands Highway and Barkly Stock Route span long stretches of black soil country, upon which much of the Barkly Region beef industry is based.

The Tablelands Highway is a single lane seal standard, with small sections of two-lane seal providing some overtaking opportunities.

Package 1 of the Tablelands Highway component of the Beef Roads Program was delivered in 2018–19. This project was 15 kilometres in length and



Outback Way: Plenty Highway



Acacia Hill School upgrade - construction





Tennant Creek Entry Statement - Steve Langton with the partially assembled Nyinkka sculpture



Braitling Primary School

provided for the widening of the road formation to a nine metre width, with the sealed width upgraded to a two-lane seal standard of seven metres. These works also included replacing or extending the concrete drainage structures within the project extent.

Package 2 of the Tablelands Highway upgrade will be delivered in 2019-20 and will provide for the upgrade and widening of a further 13 kilometres, including the little McArthur River crossing.

The Barkly Stock Route component of the Beef Roads Program will also be delivered in early 2019-20 and will provide for 18 kilometres of upgraded and sealed section through a black soil floodplain.

## TENNANT CREEK ENTRY STATEMENT

Travellers entering Tennant Creek from the Stuart Highway will soon be welcomed by new striking entry statements.

The new entry statements will provide an exciting and unique photo opportunity and give visitors a welcoming sense of arrival to the regional town.

The entries north and south of the town will feature sculptures of

the local “Nyinkka” Spikey-tailed Goanna crafted locally through the Barkly Regional Arts organisation by artist Steve Langton.

## INFRASTRUCTURE, INVESTMENT AND CONTRACTS

### ACACIA HILL SCHOOL UPGRADE

A \$6.7 million project to improve facilities at Acacia Hill School is nearly finished after the first stage of the works was completed in January 2019.

The first stage included building three new classrooms to cater for 88 new students with special needs.

The second stage of the works includes building a new administration building, multi-purpose hall, carpark and landscaping.

Stage two of the works is expected to be completed in July 2019 so students can access ultra-modern, specialist facilities catering specifically to students with higher physical and special needs.

About 80 local jobs are expected to be created over the two stage project, including apprentices, Aboriginal workers, full time employees and subcontractors.

## BRAITLING PRIMARY SCHOOL – STAGE 2

Braitling Primary School now has a new early childhood hub and new active play spaces as part of a \$4.1 million redevelopment project.

The early childhood hub includes a new pre-school as well as infrastructure to support additional services such as a playgroup, family room, consultation rooms and a modern, café style canteen.

The new areas are designed as culturally safe places for families to support their children to learn.

The redevelopment includes an adventure playground for students and an orchard as new learning spaces.

The new shade structures allow the school to bring multiple learning areas together and support a shared learning environment.

The school was fully operational during the upgrade works and special care was taken to ensure the safety of students, staff and visitors at all times.

An estimated 50 local jobs were created during the project, which was completed in March 2019.

# SOUTHERN REGIONS

## ALICE SPRINGS COURT HOUSE REFURBISHMENT

The Alice Springs Court House upgrades provide essential support services while protecting vulnerable members of our community. The new look court house focuses on a more culturally sensitive and socially inclusive approach to building design and operation.

The refurbishment delivers specialised services that better protect victims and vulnerable witnesses attending court, particularly children. It will also improve access for people with disabilities.

Upgrades include:

- constructing multiple wheelchair access ramps
- installing two lifts
- five fully refurbished courtrooms incorporating one multipurpose court
- constructing a new covered bus shelter
- separate areas to cater for vulnerable persons and women
- additional interview rooms for service providers on both floors
- a video conference room.

The refurbishment includes culturally appropriate waiting areas on both floors, and a full upgrade of the staff area to include a new kitchen and lunch area.

The building has been upgraded to *Disability Discrimination Act* (DDA) standards, including installing lifts.

The \$9.8 million contract was awarded to a local company and works are scheduled to be completed in September 2019.

## ALICE SPRINGS HOSPITAL

Works to deliver \$29.6 million in upgrades to the Alice Springs Hospital over three years were complete in September 2019, including significant fire rectification works and upgrades to ensure the building complies with relevant building legislation and current Australian Standards, and construction of a Teaching and Training Facility. The jobs supported were 458 with 11 per cent being Indigenous.

## TENNANT CREEK INTEGRATED PRE-SCHOOL

A new \$6.8 million pre-school has been constructed within the grounds of the Tennant Creek primary school to meet the needs of the local community.

The new building provides facilities for:

- pre-school students
- families as first teachers program
- early intervention support
- meeting rooms, specialist rooms and amenities for food preparation.

A contract to construct the new pre-school was awarded to a local contractor in June 2018 supporting 55 jobs, with construction completed in March 2019.

## LANDS AND PLANNING

### LAND RELEASES

Residential and industrial land was released in Tennant Creek in September 2018 to cater for growth and economic development of the town now and into the future.

The land release included 14 residential lots and 12 industrial lots. A public auction was held where 13 lots were sold (10 General Industry and three Single Dwelling lots). The remaining 13 lots were then made available for purchase through a local real estate agent.

Both new subdivisions form part of a broader development parcel that can be expanded to cater for future demand when the market dictates. A new public park has been developed to provide a new recreational space for the residents to enjoy as part of the new residential subdivision on Peko Road.

### ALICE SPRINGS FLOOD MITIGATION

The Alice Springs flood modelling program includes the investigation into structural mitigation measures to reduce the impact of flooding in Alice Springs, following the recommendations made by the Alice Springs Flood Mitigation Advisory Committee in June 2017.

The department has completed the capture of topographic data in mid-2018 to update the new Alice





Tennant Creek Integrated Pre-school



Alice Springs court house



Tennant Creek Integrated Pre-school - construction

Springs flood model to the latest standards and guidelines of the Australian Rainfall and Runoff 2016.

The updated flood modelling and structural mitigation options assessment will inform the delivery of any viable structural mitigation options.

### ALICE SPRINGS INDUSTRIAL NEEDS ASSESSMENT

A tender was awarded to conduct an Industrial Needs Assessment for Alice Springs in June 2019.

The study will help inform the current and future industrial

land developments needs in Alice Springs and consult with landowners and local industries to see what services and facilities would be required in the town.

The assessment will be used to inform the headworks and subdivision works needed to accommodate industrial land in Alice Springs.

There are several available land sites being reviewed as part of the assessment, including land near the Alice Springs Airport, Arumbera Abattoir Valley and Brewer Estate, which is on Crown land.

Land investigations are underway to support light industrial land development at Arumbera, south of the Gap, as identified in the 10 Year Infrastructure Plan. Planning and land investigations into essential services and stormwater and drainage are critical to develop a concept and detailed design for longer term construction.



# STRATEGY, POLICY AND LEGISLATION

The Strategy, Policy and Legislation Division provides high level strategic and policy advice to the Northern Territory Government and is responsible for developing and implementing strategic policy. The division, which is made up of two units, delivers strategic policy advice and the legislative reform program for the Department of Infrastructure, Planning and Logistics.



## NICK PAPANDONAKIS

**Executive Director,  
Strategy, Policy and Legislation**

*Nick leads the centralised policy division that provides strategic policy, reform and legislation support across the Department of Infrastructure, Planning and Logistics.*

*Born in Darwin, Nick has worked in various agencies over a 30 year career in the Northern Territory Government. Working in the transport sector for more than 10 years, he has led reforms in a number of areas, including transport services and planning, road safety and major projects.*

*Nick has qualifications in business and law.*

## STRATEGIC POLICY

The Strategic Policy unit provides strategic advice to the Northern Territory Government by developing strategic policy and plans, in consultation with stakeholders.

The unit develops and provides input into Government-wide initiatives, submissions and reports on major policies, strategies and reforms, including conducting relevant research and analysis.

The unit supports the Minister for Infrastructure, Planning and Logistics at the Transport and Infrastructure Council and advocates the Northern Territory's position through national forums, including the Heavy Vehicle Road Reform, Land Transport Market Reform, National Land Freight Strategy Working Group, National Road Safety Strategy Working Group and Austroads' Taskforces.

In addition, the unit is responsible for:

- developing and implementing road safety policy
- conducting assessments and analysis
- developing policy and programs for active transport and regional and remote aviation
- developing and contributing to Government-wide policy and submissions.

## LEGISLATION AND REFORM

The Legislation and Reform unit provides legislative and policy advice, inputs into lands and building legislation administered by the department and assists divisions seeking legal advice and statutory interpretation of issues.

The unit reviews and amends transport legislation to ensure legislative frameworks are streamlined, relevant, contemporary and meet appropriate standards, including:

- commercial passenger vehicle licensing and regulation services
- road transport regulation
- marine and ports regulatory framework
- traffic safety, vehicle standards and road rules.

The unit develops and implements national and local transport legislative reforms to drive economic and social development and advocates for the Territory's position during the ongoing national legislative review and reform process.



## 2018–19 STRATEGIC OBJECTIVES

### PRIORITY: Long-term planning that integrates community needs with industry best practice

#### Actions

- Continued to deliver actions in the Northern Territory Towards Zero Road Safety Action Plan.
- Continued to develop the Territory-wide Logistics Master Plan and contributed to the Australian Government's National Freight and Supply Chain Strategy.
- Coordinated a number of Government-wide submissions to national inquiries.
- Led the review of the National Remote and Regional Transport Strategy, including developing new actions for ongoing implementation of the strategy.
- Continued to support policies and programs to encourage cycling and walking across the Northern Territory.

### PRIORITY: Deliver innovative, well-regulated, safe and sustainable services

#### Actions

- Completed a review of the *Ports Management Act*.
- Represented the Northern Territory's interests in the national transport reform agenda.
- Delivered the department's legislative reform program to ensure legislation is relevant, contemporary and streamlined to reduce regulatory burden, internal and external to the department.
- Reviewed and implemented revised heavy vehicle registration charges for 2019–20.
- Continued to support the Trial Centre-run Air Service for Katherine and Tennant Creek and commenced arrangements to provide an ongoing service.
- Developed a draft Electric Vehicles Options Paper to inform the implementation of supporting infrastructure, policies and programs for electric vehicles in the Northern Territory.
- Amended regulations to allow for the effective management of advertising and activities in the road reserve.
- Progressed a review of the Livestock Loading Scheme.
- Completed a review of, and developed a revised draft, of the Northern Territory Fatigue Management Guide for consultation.
- Amended the steer axle permit of exemption fee structure to clarify existing fees and allow for higher mass limits in the Northern Territory.
- Delivered the first of three tranches of priority transport legislation amendments, including four packages of Australian Road Rules, to begin on 1 July 2019, to support a safe, efficient and sustainable transport system that meets community and industry needs. This included delivering the following actions in the Towards Zero Road Safety Action Plan:
  - increase penalties for mobile phone use (Action 4.1)
  - introducing lane filtering (Action 9.1)
  - introducing a minimum one metre overtaking law for passing cyclists (Action 12.3).
- Participated in the national reform of driver laws and a safety assurance system for the safe deployment of automated vehicles.
- Progressed active transport policy development.

## STRATEGY, POLICY AND LEGISLATION KPIs

Key Performance Indicators	2016–17 Actual	2017–18 Estimate	2018–19 Actual	2018–19 Budget
Policy advice measured by stakeholder satisfaction	90%	90%	94%	90%

## Highlights and Achievements

### ELECTRIC VEHICLES

With strong support from the Northern Territory Government for increasing the uptake of electric vehicles (EVs) in the Northern Territory, the department has been investigating potential EV policy options.

The introduction of lower cost EVs into Australia over the next few years is expected to rapidly increase the number of EVs on the road. As a consequence, the demand for public charging points and power to charge EVs is expected to increase.

The benefits of EVs include reduced greenhouse gas emissions, support for renewable energy and lower transport costs.

There are some significant barriers to the uptake of EVs in the Territory, including long distances and 'range anxiety' and a limited demand for charging points due to a small population.

The department is investigating EV issues and options for the Territory and is planning consultation to develop an EV strategy and implementation plan in 2019.

### TERRITORY-WIDE LOGISTICS MASTER PLAN AND NATIONAL FREIGHT AND SUPPLY CHAIN STRATEGY

The Territory-Wide Logistics Master Plan aims to facilitate increasing freight and logistics connections and capacity, including international and domestic trade.

The Master Plan focuses on key priority areas including:

- facilitating private sector development to grow jobs
- integrated logistics and land use planning
- infrastructure investment
- regulation and safety.

After consulting industry, the department is finalising a draft Master Plan for Government to consider.

The Master Plan will align with the National Freight and Supply Chain Strategy and will form the Territory's implementation plan for this national work.

### LIVESTOCK LOADING SCHEME

The Northern Territory's Livestock Loading Scheme supports the safe, humane and productive transport of livestock, while managing associated road safety and infrastructure risks.

The scheme is under review to ensure it continues to support this vital industry and manage these risks, while addressing new mass challenges introduced by the use of more modern, safer and environmentally friendly vehicles.

A weighbridge mass survey, practical loading exercise, and a road train dynamic performance study have been undertaken, contributing to a discussion paper, working group discussions and the development of reform options.

The department will hold final discussions with key industry participants and representatives on a proposal for reform before providing advice and options to the Northern Territory Government to consider.



Electric vehicle at the Tropic of Capricorn





## SUPER TUESDAY BIKE COUNT 2018

**4168** BIKE TRIPS ACROSS THE NT DURING THE 2HR COUNT



**RAPID CREEK BRIDGE: THE HIGHEST NUMBER OF BIKES**

**27%** INCREASE IN RIDERS AT THIS SITE

**75** SITES COUNTED BY VOLUNTEERS



HIGHEST AVERAGE FEMALE PARTICIPATION: **36%**

## ROAD TRAIN STEER AXLE MASS EXEMPTIONS POLICY

The Northern Territory's road train steer axle mass exemption policy supports the unique mass challenges experienced by industry operating road trains in remote areas.

These challenges have been exacerbated by the use of heavier, more modern, safer and environmentally friendly vehicles.

The department reviewed the policy and consulted with industry on reform options to ensure the policy continues to support the remote area road train transport industry.

In May 2019, the department, with industry support, implemented a new policy reflecting Austroads research and engineering principles.

The new policy aligns with arrangements in Western Australia and enables the compliant use of more modern vehicles, while removing red tape and costs for the majority of industry.

The department will monitor this issue nationally, as it continues to develop in the southern and eastern states.

## SUPER TUESDAY BIKE COUNT 2018

The Northern Territory is a cycling place with surveys showing that proportionately, the number of people riding bikes is higher in the Territory than many other places in Australia. More people cycling is good for the environment, our communities and our health.

As part of the department's transport monitoring program, department staff join community volunteers to participate in an annual visual bike ride. The bike count is coordinated by the Bicycle Network and is undertaken across northern Australia in September.

In 2018, 75 sites were counted by volunteers on major bike routes in Darwin, Palmerston, Katherine, Tennant Creek and Alice Springs. The 2018 survey results indicated:

- 4168 bike trips across the Northern Territory during the two hour count period
- Rapid Creek Bridge in Darwin recorded the highest number of bikes in 2018 and there was a 27 per cent increase in riders at this site compared to 2017

- bike count data in Palmerston showed a significant increase in cyclists after a new separated shared path was completed
- there was a substantial increase in the number of bikes counted in Katherine in 2018
- Katherine recorded the highest average female participation rate in the Northern Territory at 36 per cent, which is significantly greater than the national average of 24 per cent female cyclists. The number of female riders is often used as an indicator of the status of a town or city's cycling environment and some sites in the Northern Territory recorded more female than male cyclists
- Tennant Creek was included in the annual count for the first time in 2018
- there was a small increase in riders in Alice Springs and a high level of average female participation at 35 per cent.

# STRATEGY, POLICY AND LEGISLATION



## 2019–20 PRIORITIES

- Finalise the Territory-Wide Logistics Master Plan.
- Undertake consultation and develop an Electric Vehicle Strategy and Implementation Plan to inform supporting infrastructure, policies and programs for electric vehicles in the Northern Territory.
- Finalise the Northern Territory Fatigue Management Guide.
- Continue to deliver actions in the Northern Territory Towards Zero Road Safety Action Plan.
- Progress the development of an Active Transport Policy.
- Lead the development of new actions for the ongoing implementation of the National Remote and Regional Transport Strategy.
- Consider options for the ongoing provision of the Centre-run Air Service for Katherine and Tennant Creek.
- Amend the *Ports Management Act* in line with the outcomes of the review of the Act.
- Finalise the second and third of three tranches of priority transport legislation amendments to support a safe, efficient and sustainable transport system that meets community and industry needs.
- Participate in the review of the Heavy Vehicle National Law.
- Amend the *Traffic Act* to create an offence for careless driving causing death or serious injury.
- Continue to participate in the national reform of driver laws and a safety assurance system for the safe deployment of automated vehicles.
- Coordinate department contributions to Northern Territory Government policy development.
- Coordinate Government responses to national inquiries and wider Northern Territory Government reforms.
- Represent the Northern Territory's interests in the national transport reform agenda.
- Host the Transport and Infrastructure Senior Officials Committee meeting in Darwin in March 2020.





## CHURCHILL FELLOWSHIP

# Jo Cruickshank

*In 2017, Jo Cruickshank, Senior Policy Officer with the Strategy, Policy and Legislation Division, was awarded a Churchill Fellowship through the Churchill Trust to investigate cycling policies and programs in the United Kingdom and Europe.*

Jo travelled throughout December 2018 and January 2019 and visited towns and cities across the UK, France, Denmark, Sweden, Norway and the Netherlands. In each location Jo met with a wide range of people actively working to make cycling part of everyday transport, including government agencies, councils and municipalities, universities, consultants, non-government organisations and community bike groups. Jo hired or borrowed a bike in every city she visited, which gave her a unique insight into how cities work as cycling places.

“My Churchill Fellowship was such an amazing experience in so many ways,” Jo said, reflecting on her trip. “I visited most of the top cycling cities in the world, as well as smaller towns and cities that are just starting on their journey towards becoming cycling cities.

“I have learnt about innovative policies and new approaches to designing cities for bicycles. I have also established a whole network of international contacts and resources that is invaluable to my work.”

Back in Australia, Jo has been focusing on finalising her project report, which is available on the Churchill Trust website <https://www.churchilltrust.com.au/>. Jo has shared her experiences through presentations across the department and other local organisations and groups.

“I am already using my Fellowship experiences and learnings in my work and passing on some of my key findings and initiatives to my colleagues and contacts,” Jo said.

“People often ask me how anything in snowy Norway or the historic, compact Netherlands can be relevant to Australia,” Jo said. “Well, there is so much that can easily be applied here, I experienced many initiatives that are simple, low cost and readily transferable and could help transform our towns and cities into more liveable, healthy and vibrant places”.





# CORPORATE SERVICES

Corporate Services Division supports the operational performance of the Department of Infrastructure, Planning and Logistics by providing specialist services and advice in financial management and office services, human resources, work health and safety, information technology, information management and governance, and internal audit and risk management.

On 16 April 2019, the Northern Territory Government released *A plan for budget repair: Final report (Fiscal Strategy Plan)* and its response to the recommendations. The recommendations outline the Government's plan to fix the Budget and return to balance/surplus over the medium term. One of the recommendations included:

- implement the next phase of shared services reform by centralising corporate services in the Department of Corporate and Information Services (DCIS).

The impact to the Corporate Services Division is that from 1 July 2019, human resources, information and communications technology, digital, records, information management and fleet functions will transfer to DCIS.

## FINANCE AND OFFICE SERVICES

Finance and Office Services facilitates best practice financial management and governance across the department through effective financial management and policy advice with fleet and general property and facilities services. This is achieved by using corporate systems and policies that are in line with the *Financial Management Act* and Treasurer's Directions. The statutory financial reporting requirements of the

department are achieved by completing end of year financial statements and annual budgets.

## HUMAN RESOURCES AND WORK HEALTH AND SAFETY

Human Resource (HR) Services promotes best practice in all aspects of HR by providing high level advice and support to staff and management on employee relations, work health and safety, and workforce development.

## INFORMATION TECHNOLOGY, FREEDOM OF INFORMATION AND RECORDS

Information and Business Systems (IBS) drives technology capability across the department, providing information and communications technology (ICT) project management and governance services, advice, device management and business systems integration and support to the department. IBS provide critical information management services to the department, ensuring Northern Territory Government data is stored, protected and accessed in accordance with the Northern Territory's *Information Act* and Government's Records Management Standards.



## SARAH TEMPLE

**Executive Director,  
Corporate Services**

*Sarah leads a multi-disciplinary team of staff providing corporate services to the department and shared services, including human resource, financial and information management as well as technology, property and audit and risk management.*

*Beginning her career with the Northern Territory Government as a graduate, Sarah worked in human resources before taking on the role as an Executive Director of corporate and business services for the departments of Transport and Lands, Planning and the Environment.*

*Sarah has business qualifications and has lived and worked in the Northern Territory since moving here as a young child.*



## GOVERNANCE

Governance refers to the processes and structures implemented by the department to inform, direct, manage and monitor activities. The four pillars of governance consist of the audit committee, executive management, internal audit and external audit (the Northern Territory Auditor-General).

Internal audit is an independent and objective review and advisory service that:

- provides assurance to the Chief Executive and the Executive Leadership Team (ELT) that the department's financial and operational controls, which are designed to manage its risks and achieve its objectives, are operating in an efficient, effective and ethical manner
- helps management to improve the department's business performance.

## RISK MANAGEMENT

Risk management is a separate governance function to internal audit, with management responsible for implementing effective risk management strategies. It is applied at all levels of the department and addresses the uncertainties found in the organisational environment. It aims to minimise, monitor and control the probability or impact of unforeseen events and to identify and leverage opportunities.

## SENIOR LEADERS FORUMS

The department established Senior Leaders Forums to create a culture of collaboration and strengthen leadership across the organisation.

The forums give staff at Director level and above the opportunity to come together to exchange information and provide input on strategic issues.

In 2018–19, Senior Leaders Forums were held in September 2018 and May 2019, with more than 70 employees attending each event. Guest speakers included Minister for Infrastructure, Planning and Logistics Eva Lawler, Chief Executive Officer of Helping People Achieve Tony Burns and representatives from the Department of Treasury and Finance, and the Department of the Chief Minister.

Presentations and discussion topics covered in the forums included:

- Territory Budget and Budget Repair initiatives
- strategic planning by the Independent Commissioner Against Corruption in the Northern Territory
- leadership
- Northern Territory Planning Commission priorities.

Attendees received updates and were able to provide input on a number of department projects and issues.

## FOSTERING INNOVATION

In September 2017, the Internal Development Team was formed in 2017 to focus on information technology (IT) project delivery, business improvement solutions and innovation.

The team undertook or supported the following key projects in 2018–19:

- deployed an online risk register to identify and manage strategic, divisional and project risks across the department
- enhanced visibility of HR metrics for the executive by developing interactive dashboard reports
- initiated a trial of a text-based chatbot to assist Motor Vehicle Registry (MVR) staff to answer customer queries
- initiated a trial of Yammer as an online tool to improve communication, collaboration and teamwork across the department.

# CORPORATE SERVICES

## 2018–19 STRATEGIC OBJECTIVES

**PRIORITY: Long-term planning that integrates community needs with industry best practice**

### Actions

Coordinated implementation of the 2018–2021 Strategic Plan.

Coordinated two Senior Leaders Forums attended by more than 70 senior executives in the department.

**PRIORITY: Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio**

### Actions

Engaged probity advisors on six projects to ensure tenders conformed to procurement regulations and processes are in place that achieve value for money.

**PRIORITY: Deliver innovative, well-regulated, safe and sustainable services**

### Actions

Conducted four audits and reviews relating to the adequacy, efficiency and effectiveness of department governance, risk and controls that helped promote business process improvements within the department.

Introduced updated electronic forms on the department's intranet.

Enhanced key transport systems to support Government initiatives in Commercial Passenger Vehicle reform, MVR online services and statistical data and reporting capability.

**PRIORITY: Create an organisation with the values, capacity and capability to deliver effective services**

### Actions

Coordinated and provided Secretariat support for:

- Executive Leadership Team – 10 meetings
- Audit and Risk Management Committee – four meetings
- Department of Infrastructure, Planning and Logistics Technology and Innovation Committee – four meetings
- Work Health and Safety Worksite Committee – 24 meetings
- Consultative Committee – two meetings.

Developed an ICT Governance Framework.

Coordinated training delivery, including Cross Cultural Awareness (Community Engagement), Verbal Judo, Appropriate Workplace Behaviours, Defensive Tactics and Fraud Awareness.

The department continued to support 15 Employment Program participants.

One graduate and one technical trainee successfully completed their development programs and began ongoing employment with the department.

Drafted the Strategic People and Safety Plan.

Helped roll out the NT Fleet's online Client Acquisition Requisition System (CARS) system for a more streamlined replacement program of the department's vehicle fleet.

Reviewed and renewed current accommodation leases in line with the department's strategic direction.

Oversaw incident management relating to facilities.

Administered the progressive roll out of Navman GPS units across the department's fleet, with further installations planned.





# Highlights and Achievements

## ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Department of Infrastructure, Planning and Logistics has implemented an Enterprise Risk Management Framework and online register.

The framework guides staff on how to identify risk and outlines the tools on how to report and monitor risk.

An online Risk Register was developed in SharePoint and risk workshops were conducted with senior leaders to discuss People Matters Survey Results to inform risk identification in divisions.

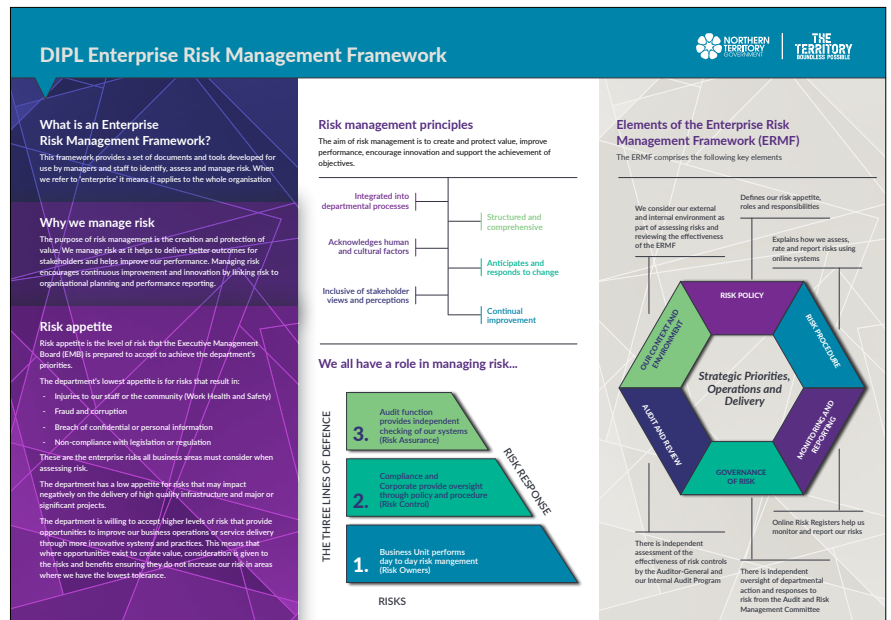
The new system is designed to make it easy for staff to use so that identifying and reporting on risk becomes a normal part of operations.

## INCREASING INTERNAL EFFICIENCIES

The department is improving internal processes for staff by introducing SharePoint and online forms as an everyday part of the business.

The aim is to create internal efficiencies by providing online forms that create automatic reports, with four to five online reports developed in 2018–19, including for Gift and Benefits, Outside Employment and Building Issues.

A HR Dashboard report was also developed to give divisions online



access to human resources data, beyond the monthly and quarterly report to the Executive Leadership Team, which removed the need to manually prepare these reports.

## OTHER HIGHLIGHTS

Other highlights for Corporate Services included:

- implemented new department Probity Policy and Guidelines
- implemented Fraud and Corruption Control Policy and Procedures
- conducted the Value for Territory Assurance Compliance Audit 2 and 3
- reviewed the Development Assessment Service Certificate of Compliance Process
- conducted an Audit of Travel Policy Framework 2017-18
- delivered an Internal Audit Plan for 2019
- implemented the Transit Safety Officer Training Program
- recruited a Work Health and Safety (WHS) Consultant to provide advice and support to WHS Worksite Committees, managers and employees on WHS matters
- coordinated testing and remediation of business applications and updated the department's ICT Standard Operating Environment (SOE) to Windows 10 and Office 2016.

## 2019–20 PRIORITIES

- Implement the centralisation of DCIS.
- Implement the department's Strategic People and Safety Plan.
- Rollout the performance management training for managers and staff across the department.
- Continue to modernise paper-based processes with online forms and workflows.
- Continue to implement updated delegations across the department.
- Continue to provide advice and support to WHS Worksite Committees, managers and employees on WHS matters.
- Continuously improve WHS policies and procedures and train Health and Safety Representatives and officers as required.
- Implement the 2020 Employment Program, which includes recruiting graduates, trainees, scholarships and Aboriginal Employment Program participants to suit the department's workforce planning requirements.
- Coordinate the delivery of further Fraud and Corruption Training.
- Conduct the department's Fraud and Corruption Risk Assessments.
- Develop the department's Fraud and Corruption Prevention Plan 2019–2021.
- Increase the number of meeting rooms with conferencing and presentation facilities.
- Continue to promote the use of video conferencing and online collaboration tools.
- Continue to identify cost efficiencies in the department's ICT environment.
- Continue to identify opportunities for technology to streamline business processes.
- Increase the number of datasets published on the Northern Territory Government's open data portal.
- Finalise the transition of department on-premises ICT systems into the new Government data centre to facilitate re-purposing the Chan building.
- Continue to modernise MVR systems to meet new and emerging requirements and streamline customer interactions.
- Complete implementing the Enterprise Risk Management Framework.
- Continue to refine the online Risk Register, including its reporting functions.
- Roll out risk management workshops to staff in Darwin and regional centres.
- Undertake the internal audit program.
- Work with Northern Territory Property Management and building owners to improve building facilities across premises occupied by the department.
- Continue to review the department's vehicle fleet to improve efficiencies and identify opportunities for consolidation.



# CORPORATE GOVERNANCE





# GOVERNANCE FRAMEWORK

Good corporate governance refers to the systems that control an organisation, how it operates and the mechanisms by which it and its people are held to account.

The Department of Infrastructure, Planning and Logistics' governance framework has been developed to guide the actions of individuals by providing clarity and direction about appropriate behaviour and decision making. Governance is underpinned by our accountability, planning, performance and compliance activities.





# ACCOUNTABILITY AND STANDARDS

As a public sector organisation, the department's Chief Executive is required to meet operating and reporting requirements specified in the *Public Sector Employment and Management Act*, *Financial Management Act* and *Information Act*.

The Chief Executive is supported by the Executive Management Board and Executive Leadership Team to provide leadership and direction to the department. This section of the annual report describes the governance structures that operated during the year, along with a description of their achievements and forthcoming priorities.

## EXECUTIVE BOARDS AND COMMITTEE

### Executive Management Board

The Executive Management Board supports the Chief Executive to deliver Government priorities by providing leadership, strategic direction and guidance to ensure the department is responsive to changing community and business needs.

The Executive Management Board meets on a weekly basis.

### Membership as at 30 June 2019

Members	Position
Andrew Kirkman (Chair)	Chief Executive
Leah Clifford	Deputy Chief Executive
John Harrison	General Manager Infrastructure, Investment and Contracts
Louise McCormick	General Manager Transport and Civil Services
Nick Papandonakis	Executive Director Strategy, Policy and Legislation
Tegan Berg	Director Executive Services
Fotis Papadakis	Chief Financial Officer

### 2018–19 Achievements

- Assessed agency staff survey results.
- Ongoing Budget review and management.
- Reviewing department performance reporting.
- Development of an Enterprise Risk Management Framework for the agency.
- Identification of risk areas and issues and discussion of agency options and responses.
- Cross agency and local government collaboration on current and emerging priorities, projects and tasks.
- Review of governance arrangements following the centralisation of corporate and infrastructure services.

# ACCOUNTABILITY AND STANDARDS

## EXECUTIVE LEADERSHIP TEAM

The role of the Executive Leadership Team (ELT) is to assist the Chief Executive to oversee and manage strategic, compliance, regulatory and governance matters of the department. The ELT has a performance monitoring and advisory role that encompasses considering, discussing and approving strategies, initiatives and issues that impact on divisions or the department as a whole. Under the Work Health and Safety Framework, the ELT act as the Work Health and Safety Steering Committee and monitor activity and issues arising from WHS Worksite Committees (refer to Our People, Creating a Safe and Supportive Work Environment on page 118 for further information).

The ELT meets on a monthly basis.

### Membership as at 30 June 2019

Members	Position
Andrew Kirkman (Chair)	Chief Executive
Leah Clifford	Deputy Chief Executive
John Harrison	General Manager Infrastructure, Investment and Contracts
Louise McCormick	General Manager Transport and Civil Services
Nick Papandonakis	Executive Director Strategy, Policy and Legislation
Tegan Berg	Director Executive Services
Bruce Michael	Executive Director Transport Planning
Fabio Finocchiaro	Executive Director Land Services
Robert Pemble	Executive Director Civil Services
Simon Saunders	Executive Director Transport Safety and Services
Glen Brady	Executive Director Building Services
Christophe Grumelart	Executive Director Housing and Strategic Projects
Mark Meldrum	Senior Director Building Advisory Services
Doug Lesh	Senior Director Planning
Fotis Papadakis	Chief Financial Officer
Belinda Townsend	Chief Procurement Officer
Sandra Butcher	Director HR Services
Sarah Fairhead	Senior Director Southern Region
Phil Harris	Senior Director Northern Region
Darcy Dunbar	Regional Director Tennant Creek
George Hutchinson	Regional Director Nhulunbuy

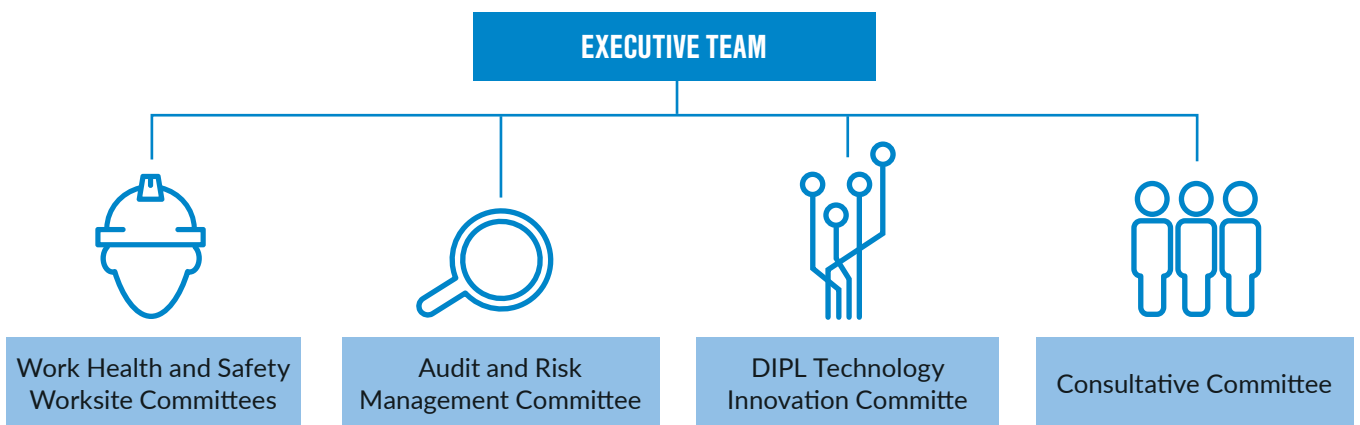




Garramilla Boulevard wall detail



The Executive Leadership Team provides governance and leadership to a number of committees that support our key objectives and purpose. This relationship is identified in the figure below.



### 2018–19 Activities

- Regular monitoring of reporting on the department’s budget and financial performance, staffing, workforce development, work health and safety, information technology and records management, audit and risk management activities.
- Quarterly agency performance reporting.
- Reviewing and endorsing corporate policy.

- Undertaken a strategic risk workshop.
- Briefings and presentations on:
  - o community land use project
  - o onshore gas industry impacts
  - o ASNEX and Add Insight
  - o Jabiru
  - o staff survey
  - o Yammer.

### 2019–20 Activities

- Review and update the Strategic Plan.
- Review new performance planning and reporting framework.
- Regional visits to Katherine and Alice Springs with updates on regional projects and issues.
- Briefings on:
  - o Safe Driving Guidelines.

# ACCOUNTABILITY AND STANDARDS

## AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee (ARMC) was established to ensure the Chief Executive has clear, comprehensive, independent advice on the effectiveness of the department's governance structures, systems and processes. The ARMC is empowered to investigate any relevant matter with unrestricted access to department records, facilities and personnel. It has the authority to engage independent counsel as it deems necessary, to effectively discharge its duties.

### Membership as at 30 June 2019

Members	Position	Department
Graham Symons (Chair)	External	
Leah Clifford	Deputy Chief Executive	Department of Infrastructure, Planning and Logistics
John Harrison	General Manager Infrastructure, Investment and Contracts	Department of Infrastructure, Planning and Logistics
Louise McCormick	General Manager Transport and Civil Services	Department of Infrastructure, Planning and Logistics
Karen Elligett	External - Executive Director Governance and Government Relations	Department of Local Government, Housing and Community Development
Proxy Members	Position	Department
Bruce Michael	Executive Director Transport Planning	Department of Infrastructure, Planning and Logistics
Fabio Finocchiaro	Executive Director Land Services	Department of Infrastructure, Planning and Logistics
Observers	Position	Department
Tegan Berg	Director Executive Services	Department of Infrastructure, Planning and Logistics
Fotis Papadakis	Chief Financial Officer	Department of Infrastructure, Planning and Logistics
Craig Kirby	Director Risk Management and Investigations	Department of Infrastructure, Planning and Logistics
Jenny Medwell	Director Internal Audit Function	Department of Infrastructure, Planning and Logistics
Stacey Kelly	Principal Auditor	NT Auditor-General's Office
Petra Holgate (Secretariat)	Executive Officer – Committees and Projects	Department of Infrastructure, Planning and Logistics



Mural in Goyder Square, Palmerston

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## 2018–19 Achievements

- Four meetings convened for the 2018–19 year.
- Providing feedback on the development and implementation of the department's:
  - o enterprise risk management framework
  - o risk register
  - o maturity model.
- Providing feedback on the performance of internal audit.

## 2019–20 Priorities

- Oversee and provide advice (where required) on agency audit and risk activities including:
  - o annual audit program
  - o department fraud risk assessment
  - o past and current audit recommendations
  - o key governance matters.



# ACCOUNTABILITY AND STANDARDS

## TECHNOLOGY AND INNOVATION COMMITTEE

The role of the Department of Infrastructure, Planning and Logistics Technology and Innovation Committee (DTIC) is to:

- ensure a robust Information and Communication Technology (ICT) Governance Framework is in place for managing assets, investment and projects involving technology
- encourage a culture of innovation within the department.

Project reviews are conducted online, while the Department of Infrastructure, Planning and Logistics Technology and Innovation Committee meets every quarter to consider and encourage ideas from staff around the department to grow, improve or encourage those ideas to develop innovation.

Four Department of Infrastructure, Planning and Logistics Technology and Innovation Committee meetings were convened for the 2018–19 year.

### Membership as at 30 June 2019

Members	Position	Division
Fotis Papadakis (Chair)	Chief Financial Officer	Corporate Services
Brian Schmid	Director IT Systems and Development	Corporate Services
Phillip Rudd	Director NT Land Information Systems	Lands and Planning
Richard Smith	Senior Director Land Information	Lands and Planning
David Kerslake	Project Delivery Manager	Transport and Civil Services
Simon Saunders	Executive Director, Transport Safety and Services	Transport and Civil Services
Jo Cruickshank	Senior Policy Analyst	Strategy, Policy and Legislation
Wendy York	Director Infrastructure, Development and Support	Infrastructure, Investment and Contracts
Libby Schoch (Secretariat)	Business Manager	Corporate Services

### Projects considered/reviewed by the DTIC in 2018–19

- ICT Governance Framework.
- Capital Items Bids for 2018–19.
- Department of Corporate and Information Services Contract Management System.
- Windows 10 and Microsoft Office 2016 upgrade.
- Department Video Conferencing Review.



## CONSULTATIVE COMMITTEE

The Consultative Committee was initially established in September 2016 to consult with unions on significant changes arising from the Machinery of Government changes to form the Department of Infrastructure, Planning and Logistics. The committee's ongoing role is to consult about significant matters and manage change. The committee is chaired by the Chief Executive and Deputy Chief Executive and includes department representatives, union officials and union delegates. In June 2019, the committee increased its meeting frequency as a result of the Centralisation of Infrastructure Functions and Corporate Services Reforms.

The committee convened twice during 2018–19.

### Membership as at 30 June 2019

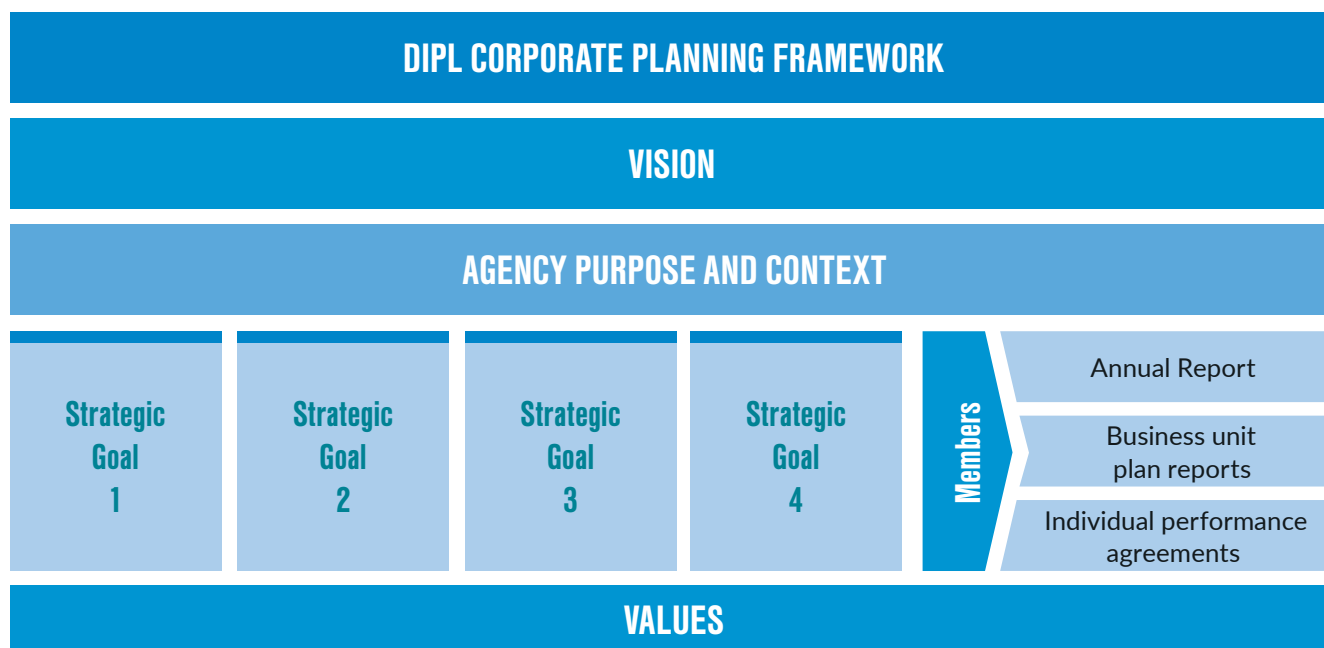
Members	Position
Andrew Kirkman (Chair)	Chief Executive
Leah Clifford (Deputy Chair)	Deputy Chief Executive
John Harrison	General Manager Infrastructure, Investment and Contracts
Fotis Papadakis	Chief Financial Officer
Sandra Butcher	Director HR Services
Department Representatives	
Chris Allinson	Australian Manufacturing Workers Union (AMWU) Union Delegate
Frank Spencer	AMWU Union Delegate
Feroz Mohamed Ibrahim	Community and Public Sector Union (CPSU) Union Delegate
Robert Haakmeester	CPSU Union Delegate
Trent Goodwin	CPSU Union Delegate
Christopher Knight	CPSU Union Delegate
Union Representatives	
Kay Densley	CPSU Branch Secretary
Lucas Hemsley	CPSU Organiser
Lloyd Pumpa	AMWU Organiser

## REGULATORY AND LEGISLATIVE ADVISORY BOARDS AND COMMITTEES

Regulatory and legislative advisory boards and committees are listed in the appendices.

# STRATEGY AND PLANNING

Creating links between our priorities and operational delivery



## CORPORATE REPORTING FRAMEWORK

The corporate planning framework links our vision with the Department of Infrastructure, Planning and Logistic's (DIPL) purpose and context. The framework provides links to annual performance reporting and is underpinned by accountabilities and values.

We translate our priorities and actions from divisional plans into business unit plans and then into individual performance plans for each member of our team.

The department's annual report assesses our performance against our priorities and is linked to our budget position as reported in Budget Paper 3.

## DIPL PRIORITIES

The DIPL Strategic Plan 2018–21 defines the department's vision and guides our activities and actions. It reflects the Northern Territory Government's priorities and the ways in which our department contributes to those overarching goals.

The department's four priorities are:

**Priority 1:** Long-term planning that integrates community needs with Government priorities and industry best practice.

**Priority 2:** Deliver the Territory's Infrastructure Program and maintain it's Infrastructure Portfolio.

**Priority 3:** Deliver innovative, well-regulated and sustainable services.

**Priority 4:** Create an organisation with the values, capacity and capability to deliver effective services.





# OPERATIONS AND PERFORMANCE

Monitoring operations and performance through planning and regular reporting.

## OPERATIONAL PLANS

Work units use annual operational plans to outline priority projects and focus areas for the year ahead. General Managers and Executive Directors use these plans to report on and monitor divisional performance using an Agency Performance Report that is tabled at Executive Leadership Team meetings on a monthly basis.

## SYSTEMS AND PROCEDURES

The department uses online forms and systems to streamline internal business processes. These systems are used for processing approvals related to procurement, finance, invoicing, accounting, credit cards, recruitment, employment and travel.

## FINANCIAL REPORTING

The Finance and Office Services unit regularly reports to the Chief Executive, Executive Management

Board, Executive Leadership Team, General Managers, Executive Directors and Directors on department and division financial performance. The suite of monthly finance reports includes:

- detailed reporting on the department's financial position
- expenditure at department and division levels
- monitoring of capital works, repairs and maintenance and minor new works spending.

## INTERNAL/EXTERNAL REPORTING

As a public sector agency, the department is required to prepare a variety of reports for external reporting purposes. The annual report is one of the department's key performance reports, in addition to information included in budget papers and financial reports prepared for the public sector by the Department of Treasury and Finance. The department also submits information for

inclusion in the State of the Service Report prepared by the Office of the Commissioner of Public Employment. Internal reporting is focused on preparing monthly reports for the Executive Leadership Team. These reports include reports on financial performance, staffing, procurement, travel, fleet, freedom of information, information technology (IT) projects, risk and audit and work health and safety. These reports are reviewed regularly and modified to enhance readability or to add or amend the type of information presented.

# CONTROLS AND COMPLIANCE

Ensuring adequate internal controls are in place and monitoring compliance with those controls.

## MONITORING PERFORMANCE AND RISKS THROUGH AUDITS AND REVIEWS

The quality of our control systems is monitored as part of Corporate Services' Divisional Plan. Internal and external audits, performance audits, financial statement audits and assurance reviews are conducted to determine the accuracy and reliability of information and provide:

- an independent assessment of selected areas of the department
- an assurance about public sector financial reporting, administration and accountability.

The department completed five internal audits during 2018–19 and the Northern Territory Auditor-General conducted seven audits and reviews.

## INTERNAL AUDIT AND RISK MANAGEMENT

Internal audit is a key pillar of governance in the department and a valuable tool to manage risk effectively. Internal audit is

a service function that provides key stakeholders with a range of risk-based activities to assess whether the department is operating satisfactorily. It also enables the department's Audit and Risk Management Committee and Executive Leadership Team to determine if appropriate risk and internal control mechanisms are in place for a strong risk and compliance culture.

The department uses a co-sourced service delivery model. Internal audits are conducted by a combination of in-house staff and a sole service provider managed in-house by the department. This arrangement provides an independent and objective assurance and advisory service to the department as well as assurance to the Chief Executive and the committee that the department's financial and operational controls:

- manage organisational risk
- achieve organisational objectives
- operate efficiently, effectively and in an ethical manner
- assist management to improve business performance.

## INTERNAL AUDITS

There were five internal audits completed in 2018–19 related to:

- Value for Territory Compliance Audit 2 - December 2018
- Value for Territory Compliance Audit 3 - May 2019
- Review of Development Assessment Services - Certificate of Compliance Process - January 2019
- Audit of Travel Policy Framework 1 July 2017 - 30 June 2018
- Cabinet Information Security Measures Annual Compliance - April 2019.

## EXTERNAL AUDITS

External audits play a major role in the way the department is held accountable for its financial, compliance and performance outputs. External audits are conducted by outside entities, usually the Auditor-General of the Northern Territory, however, other providers can be used. The Auditor-General reports directly to the Northern Territory Parliament twice a year and releases reports publicly.



The seven external audits finalised in 2018–19 were:

- End of Year Review for 30 June 2018
- Indigenous Employment Provisional Sum – Performance Management System Audit
- Federal Interstate Registration Scheme – Interstate Road Transport Acquittal
- Black Spot Program Acquittal
- Infrastructure Investment Program Acquittal
- Roads to Recovery Acquittal
- Agency Compliance Audit for 2018–19.

## RISK MANAGEMENT

Risk management is an integral part of the management process and incorporates the principles of corporate governance, accountability, communication and strategic alignment.

A Department of Infrastructure, Planning and Logistics Enterprise Risk Management Framework has been developed. This guides staff in identifying, assessing, treating and monitoring risks at strategic, operational and project level.

## COMPLIANCE AND REPORTING

The department has a number of internal control mechanisms designed to mitigate risks in the workplace (table below).

## CODE OF CONDUCT

Through internal training programs such as the corporate induction program and regular communication via department-wide emails, staff are regularly reminded of their responsibility to act in accordance with the Northern Territory Public Sector Code of Conduct. Where an employee acts in contravention of the Code of Conduct, the department may start disciplinary proceedings.

## DELEGATIONS

The Chief Executive delegates certain powers to other employees under the *Financial Management Act*, the *Public Sector Employment and Management Act*, the *Contracts Act* and the *Procurement Act*.

The Chief Executive has established the following delegations:

- Financial delegations
- Human Resources delegations
- Procurement and Contracts delegations.

Business unit delegations include the following delegations operating in business units:

- Land Administration delegations (various Acts)
- Planning delegations (*Planning Act*).

Conflict of interest:	Whether real or perceived, conflicts of interest erode confidence in the integrity of the organisation. Executive Directors and Directors are responsible for ensuring staff declare any conflicts, which are reported to the department's ARMC. In addition all Directors and above make our annual declaration.  Sixty three (63) declarations of interests were made by department officers in 2018–19.
Gifts and benefits:	The department must be open, accountable and its actions defensible when dealing with acceptance of gifts and benefits. Executive Directors and Directors are responsible for ensuring that staff declare any gifts and benefits.  Thirty three (33) gifts and benefits declarations were made by department officers during 2018–19.
Whistle-blowers:	Staff are regularly reminded that they can report wrongdoing through the <i>Independent Commission Against Corruption Act 2017</i> . The Director Executive Services is the department's 'Nominated Recipient'. Three referrals were made to Independent Commissioner Against Corruption (ICAC) regarding the department's officers in 2018–19.



# RECORDS AND ARCHIVE MANAGEMENT

The Department of Infrastructure, Planning and Logistics has a complete and robust records and archives framework that meets the requirements of the Northern Territory Records Management Standards and the *Information Act*.

The department holds a range of record sets that are captured, managed and disposed of, or archived, in accordance with the *Information Act*. Department record sets include:

- building files
- planning and development applications
- Crown land files
- Place Names
- Government works procurement and projects
- motor vehicle registration and licensing transactions
- administrative files
- survey plans
- transport and traffic management.

## ACCESS TO INFORMATION

The *Information Act 2002 (NT)* (as in force 30 November 2018) provides for public access to information held by a public sector organisation.

A total of 21 applications to access information through the *Information Act* were accepted and processed by the department in 2018–19. This included 18 applications for Government information, two applications for personal information and one to correct personal information. This is two applications less than the previous year, and 10 less than in 2016–17.

The department received several other requests for Government information during the year, which were able to be provided

through standard administrative processes, which is the preferred process where possible.

The department has publications and information available to the public free of charge. These can be found on our website: [dipl.nt.gov.au/publications](https://dipl.nt.gov.au/publications).

There is no application fee for personal information. There are search, processing and decision making fees that apply to both applications for Government and personal information.

For more information about freedom of information policies and procedures, visit <https://infocomm.nt.gov.au/>.





## INSURANCE ARRANGEMENTS

Treasurer's Directions M2.1 Insurance arrangements requires that Northern Territory Government agencies provide information about self-insurance and commercial insurance arrangements, including:

- mitigation strategies and processes employed to reduce the risk for each insurable risk category
- the total number, value and average cost of self-insurance claims for each insurable risk category
- total commercial insurance premium expenditure.

The insurable risk categories are workers' compensation, property and assets, public liability and indemnity.

### INSURABLE RISK CATEGORIES AND MITIGATION STRATEGIES, 2018-19

Workers' compensation	The department has a structured work health and safety management system that provides all staff with a range of policies, guidelines, reference material and practical tools to mitigate personal risk and minimise the potential for work-related illness or injury. An AO7 Work Health and Safety (WHS) Consultant was recruited in March 2019 to provide department staff with expert guidance in managing our WHS risks.
Property and assets	A repairs and maintenance program is in place for property and asset management.
Public liability	Procurement policies and processes ensure contractors and service providers have appropriate credentials and insurances in place.  Operational processes and procedures are in place to ensure the timely repair and maintenance of assets to minimise risk clients.  Early identification of hazards helps to minimise risk of harm.
Indemnity	Risk assessment is conducted in relation to contracts and agreements. Advice is sought to identify potential issues affecting the department on strategic projects. The department keeps a register of indemnities

## WORKERS' COMPENSATION

There were 12 new claims against the department in 2018-19.

### DEPARTMENT WORKERS' COMPENSATION CLAIMS

Status of claims	2018-19
Open claims at the beginning of the report period (1 July 2018)	15
New claims received	12
Claims resolved or closed off	14
Current claims as at the end of the reporting period (30 June 2019)	13

# RECORDS AND ARCHIVE MANAGEMENT

## SELF-INSURED RISKS AND CLAIMS

Workers' compensation	2016-17	2017-18	2018-19
Total value of claims	\$858 023	\$815 183	\$738 274
Number of claims	12	23	27
Average cost of claims active during the financial year	\$71 502	\$35 443	\$27 343

## PUBLIC LIABILITY

During 2018-19, the department had \$1374 in approved public liability insurance premiums for the Old Town Hall Ruins in Smith Street, Darwin.

There were no claims made under this policy during the reporting period.

## COMMERCIAL INSURANCE EXPENDITURE

	2016-17	2017-18	2018-19
	Actual \$	Actual \$	Actual \$
Public liability insurance	\$1564	\$1500	\$1 374
Worker's Compensation	\$0	\$910 000	\$910 000
Other	\$137	\$61 729	\$0
Total insurance expenses	\$1701	\$973 229	\$911 374

## MOTOR VEHICLE

During 2018-19, 16 vehicles were repaired for damage. A comparison of vehicles damaged over the past three financial years is below.

## MOTOR VEHICLE DAMAGE COMPARISON

	2016-17	2017-18	2018-19
Number of vehicles	15	20	16
Value of claims*	\$32 570	\$56 943	\$24 135
Average cost of claim	\$2171	\$2847	\$1508

Source: NT Fleet \*Value of claims includes motor vehicle accident repairs and cost of vehicles written off in accidents.





# OUR PEOPLE



# OVERVIEW

The capacity of our workforce is critical to achieving our goals as a department.

The Department of Infrastructure, Planning and Logistics is committed to building a contemporary organisation with the values, capacity and capability to deliver effective services that benefit the Northern Territory. The department's people priorities in 2018-19 were to:

- create high-performing diverse teams
- develop leadership and workforce capability
- recruit and retain the right people
- prioritise the health and safety of our staff.

## STAFFING NUMBERS

Division	2016-17	2017-18	2018-19
	FTE	FTE	FTE
Executive Services	17	15	19
Corporate Services	63	50	57
Strategy, Policy and Legislation	11	10	9
Lands and Planning	151	153	153
Infrastructure, Investment and Contracts	180	188	186
Transport and Civil Services	313	324	315
<b>Total Full Time Equivalent (FTE)</b>	<b>736</b>	<b>740</b>	<b>739</b>
<b>Total Paid Employees</b>	<b>761</b>	<b>767</b>	<b>764</b>
<b>TOTAL HEADCOUNT</b>	<b>797</b>	<b>787</b>	<b>782</b>

FTE: Full time employees.

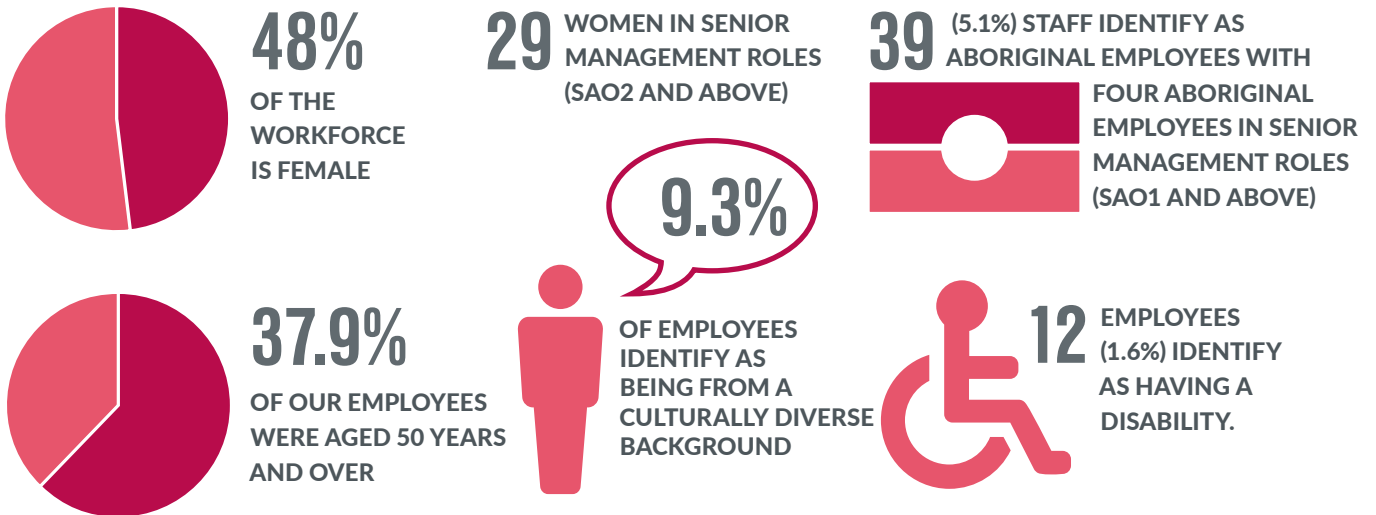
Paid Employees: Employees who have a FTE value greater than 0.

Headcount: Employees, paid and unpaid, who belong to the agency. Head count is the count of physical people so a part time person would count as one.

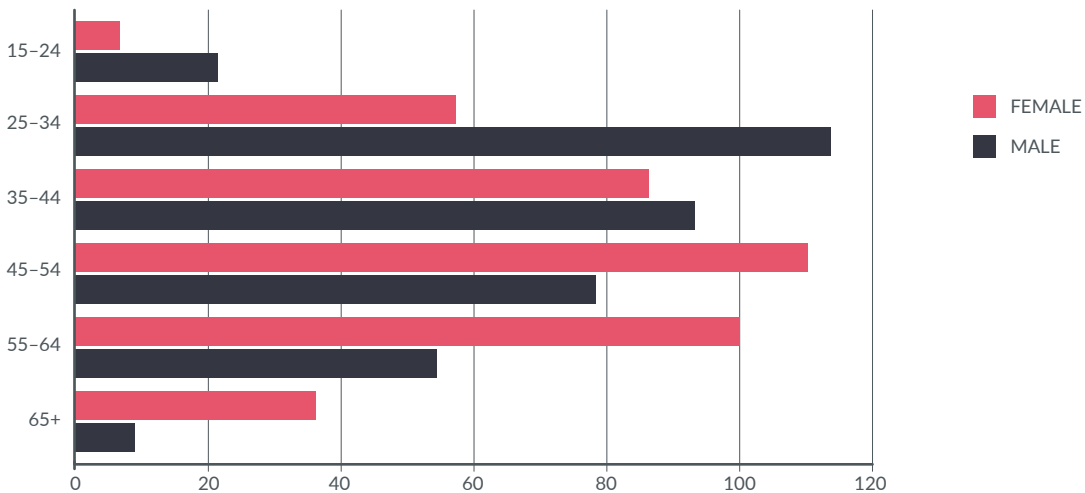


## EQUAL EMPLOYMENT OPPORTUNITY

The department is committed to being an inclusive and welcoming organisation. Some of our key statistics include:



### AGE DISTRIBUTION OF PAID EMPLOYEES AS AT 30 JUNE 2019





# ENCOURAGING DIVERSITY AND FLEXIBILITY



## WORK LIFE BALANCE

Flexible work arrangement options are supported by the department as they are a valuable tool to help achieve greater productivity, as well as supporting employees to improve the balance they may need between work and personal commitments.

In 2018–19, the department supported work life balance for employees by providing a number of flexible working arrangements including:

- 51 employees working part time
- 33 employees took recreation leave at half pay
- four employees purchased additional leave.

Other initiatives available to staff across the department were:

- flexible working hours to accommodate family commitments
- home-based work arrangements
- transition to retirement plans.

## HEALTH AND WELLBEING INITIATIVES

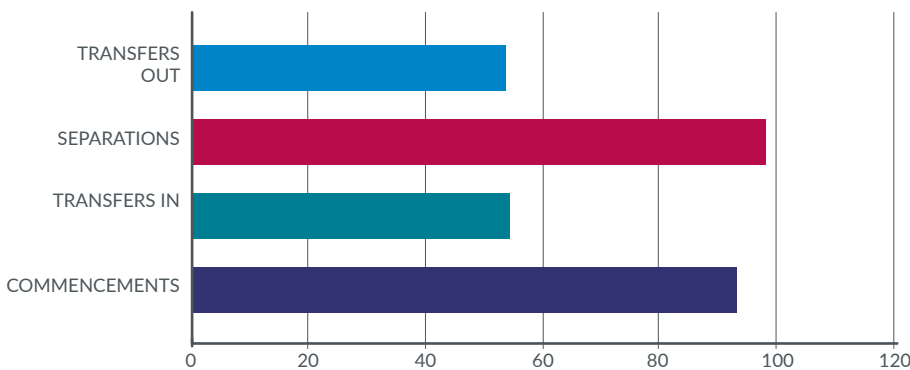
The department is committed to providing staff with opportunities to balance work commitments with family, community and cultural responsibilities. A number of initiatives were promoted throughout the year.

Initiatives for 2018–19 included:

- flu injections – the department offers free flu vaccinations on an annual basis, with 350 staff vaccinated
- Yogalates – a weekly exercise program encourages staff to be more active in their lunch break and to take a step in the right direction of improving their health. Staff arrange and pay for the sessions themselves, which is held in department conference rooms
- Health Insurance – consultants from various health insurers offer one on one meetings with interested employees to discuss their health insurance needs
- Spice Trail Challenge – 136 employees took part in the 30 day challenge to complete 10000 steps per day.



## COMMENCEMENTS AND SEPARATIONS FOR 2018-19



### RECRUITMENT

In the 2018-19 year, 148 employees were recruited and began working with the department, including 93 new Northern Territory Public Sector (NTPS) commencements and 55 Northern Territory Government department transfers in.

### INDUCTION OF NEW EMPLOYEES

Induction programs are conducted for all new staff who join the department to ensure they are aware of their obligations and entitlements as employees of the department and the NTPS more broadly. Induction sessions are delivered by Human Resources (HR) throughout the year. Work units are responsible for inducting employees into their place of work and welcoming them to the department.

### RECRUITMENT TRAINING

The NTPS online recruitment and advertising portal, eRecruit is used across the department, which has eliminated the use of paper based recruitment forms.

As well as training in using eRecruit, the NTPS Merit Selection and Special Measures training continued to be offered across the department to ensure all selection panels were trained in the Simplified Merit Selection Recruitment Process that was implemented across the NTPS in 2015.

Selection panel members were able to attend the Merit Selection Training, either face to face at the Office of the Commissioner for Public Employment, or online through the MyLearning portal.

# LEARNING AND PROFESSIONAL DEVELOPMENT

## TRAINING AND DEVELOPMENT

In 2018–19, the department invested \$942 556 in learning and development programs and initiatives with employees attending sessions across a wide range of corporate training, both accredited and non-accredited, including:

- Merit Selection and Special Measures
- Workplace Health and Safety
- Better Ministerial Writing
- Communicate with Influence
- Performance Management
- Reflections on Team Management
- Dealing with the Tough Stuff
- Foundation Skills for New Managers
- Intensive Negotiation Skills
- Practical Public Policy
- Emotional Intelligence
- Punctuation Unpacked - How to Write Plain English
- Foundations of Public Sector Governance
- eRecruit
- Appropriate Workplace Behaviour
- Independent Commission Against Corruption Information sessions
- Cross Cultural Awareness
- Fraud Awareness
- Mental Health Awareness.

## UNDERGRADUATE AND POST GRADUATE STUDY

Seven employees were provided with support in further studies at undergraduate and post graduate level. The areas of study included:

- Executive Master of Business Administration
- Bachelor of Law
- Bachelor of Business
- Bachelor of Construction Management
- Bachelor of Spatial Science.

## CERTIFICATE AND DIPLOMA STUDY

- Diploma of Procurement and Contracting
- Diploma of Human Resources
- Diploma of Business
- Certificate IV Workplace Health and Safety
- Certificate IV in Procurement and Contracting
- Certificate IV in Government Investigations
- Certificate IV in Project Management Practice
- Certificate IV in Civil Construction Supervision
- Certificate IV in Leadership and Management

## PUBLIC SECTOR MANAGEMENT PROGRAM

The Public Sector Management Program is a joint venture between the Australian, state and local governments across Australia.

The program is designed to enhance the existing knowledge, skills, attitudes and behaviours of middle and senior managers to improve public sector outcomes. Two employees commenced the program in 2018–19.





*Australasian Transport Research Forum conference*



Training and Development Expenditure	2017-18	2018-19
Total employees (FTE)	740	739
Total Training and Development Expenditure	\$942 556	\$809 909
Total Personnel Expenditure	\$87 869 502	\$89 920 523
Training and Development Costs as % of Personnel Expenditure	1.1%	0.9%
Training Expenditure per Employee (FTE)	\$1274	\$1093

# BUILDING CAPABILITIES OF EMPLOYMENT

## EMPLOYMENT PROGRAMS

The department's employment programs address succession planning issues by creating a supply of trained employees to meet the current and future needs of the department. The programs target entry-level recruits, including graduates, scholarship holders and trainees.

There are four key development pathways within the Employment Programs structure.

The Engineering Scholarship provides recipients with financial support towards the cost of gaining tertiary qualifications at Charles Darwin University (CDU) and paid work placements, in both the department and industry, enabling individuals to gain 'on the job' knowledge and experience.

The Graduate Program provides recent tertiary graduates employment with the department for up to two years to develop their skills and experience in relation to their field of study.

The Technical Trainee Program employs participants for two years in technical roles while they complete a vocational, education and training (VET) qualification at the Certificate IV level. The department hosted one Technical Trainee in 2018-19.

The Department of Corporate and Information Services Aboriginal Employment Program enables participants to undertake a pre-employment development program and then, either complete a one year traineeship at the Certificate III level or are employed for six to 12 months in a specific role within the department. This is equivalent to an AO2 or T1 employment classification.

The department actively encourages high school and undergraduate students to participate in Work Experience and Vacation Employment Programs each year.

## CHARLES DARWIN UNIVERSITY / NORTHERN TERRITORY GOVERNMENT PARTNERSHIP AGREEMENT

An ongoing partnership agreement between the Northern Territory Government and CDU continues to benefit the department, which is dedicated to developing local professionals in associated fields.

Employment Programs 2018-19	Number of Participants
Graduate Development Program	3
Engineering Co-Op Scholarship Program	8
Technical Trainee Program	1
Aboriginal Employment Program	4
Vacation Employment	8+
Work Experience	2+





# RECOGNITION AND ACHIEVEMENTS

## RECOGNISING SERVICE MILESTONES

The 2018 Northern Territory Public Sector (NTPS) Recognition of Milestones was celebrated at events hosted by Ministers in both Darwin and Alice Springs during October 2018.

The milestones recognise the achievement for 30, 35, 40 and 50 plus years of service in the NTPS. The following five employees from the department were recognised at the hosted events.

30 YEARS OF SERVICE	35 YEARS OF SERVICE	40 YEARS OF SERVICE
<p><b>Russell Taylor</b> Building – Repairs and Maintenance</p> <p><b>Jenny Medwell</b> Audit and Risk</p>	<p><b>Des Yuen</b> Building – Repairs and Maintenance</p> <p><b>Bob Pemble</b> Civil Services</p>	<p><b>Del Batton</b> Planning and Development</p>

*The department congratulates these employees for their commitment and contribution to the NTPS.*



## DIPL ENGINEERING GRADUATE PROGRAM

### Rowan Smith

In December 2018, Rowan Smith was permanently appointed to a Project Officer role with the Department of Infrastructure, Planning and Logistics (DIPL) Project Delivery team, after successfully completing the DIPL Engineering Graduate Program.

Rowan completed work experience with (the then) Construction Division as a Year 11 Palmerston High School student, then went on to become a recipient of the Department of Infrastructure, Planning and Logistics/CDU Engineering Scholarship Program as a Bachelor of Engineering (Civil) student. As a scholarship holder, he undertook vacation employment with the department, that stood him in good stead to transition into the department's Engineering Graduate Program when he became a graduand in December 2016.

Rowan's story is a great example of the department's commitment to investing in the development of our people to better deliver the strategic objectives of the department.

*Well done - congratulations Rowan.*



# CREATING A SAFE AND SUPPORTIVE WORK ENVIRONMENT

## WORK HEALTH SAFETY AND WELLBEING

Eight Work Health Safety (WHS) Worksite Committees and the Work Health and Safety Chair Committee met quarterly to identify WHS hazards and implement policies and practices that mitigate risks, while providing a consultative forum to address WHS matters for the department.

During the year, the department continued to monitor and evaluate resources provided through the

WHS Framework to ensure a contemporary approach that is in line with best practice methods.

Recruitment to a newly established WHS Consultant position was finalised in March 2019.

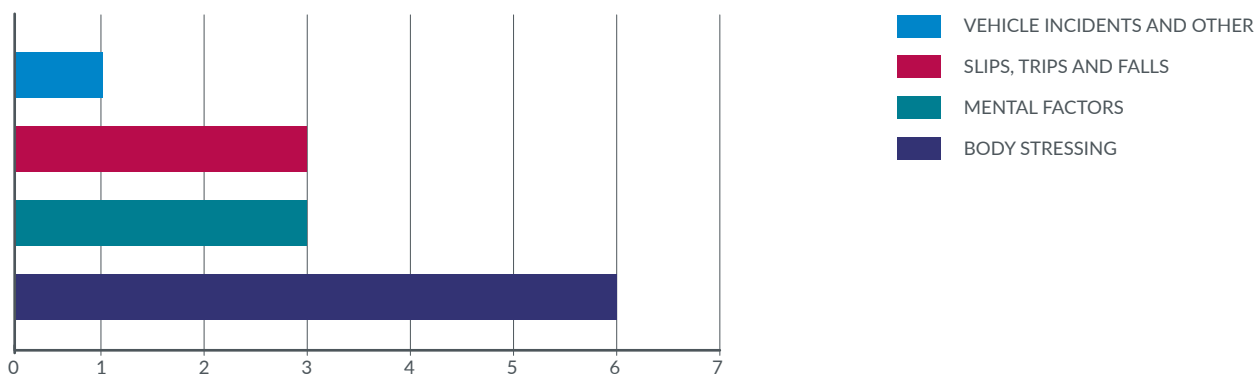
## INCIDENTS AND WORKERS' COMPENSATION

As at 30 June 2019, the department had 14 open workers' compensation claims. Twelve new claims were received

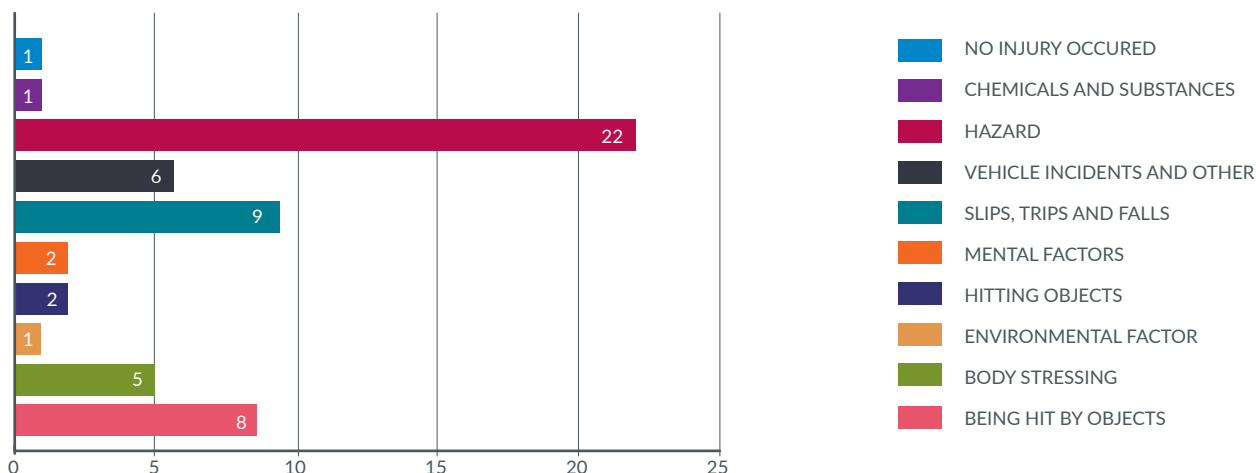
during the 2018–19 financial year and 15 were carried over from the previous year, with 14 claims closed during the year.

A total of 54 incidents reports were submitted during 2018–19. This represents a decrease of 29 incidents from the previous year.

TOTAL WORKERS' COMPENSATION CLAIMS BY MECHANISM GROUP AS AT 30 JUNE 2019



TOTAL INCIDENTS BY MECHANISM GROUP AS AT 30 JUNE 2019





# REPORTING AGAINST EMPLOYMENT INSTRUCTIONS

## Department Action 2018-19

<b>1. Filling Vacancies</b>	<p>For the 2018-19 period, the Department of Infrastructure, Planning and Logistics advertised 148 (ongoing and fixed period) positions. The department had 148 employees commence/transfer in and 152 separations/transfers out. No promotion appeals were upheld for the reporting period.</p>
<b>2. Probation</b>	<p>The department has a current Probation Policy and flow chart consistent with the <i>Public Sector Management Act</i> and relevant awards.</p> <p>New ongoing employees in the department are advised of the probation process by the Department of Corporate Information Services (DCIS) as part of their Offer of Employment. This process is explained further during induction and in the department's information pack for new employees and available on the intranet. The employee's manager monitors probationary reports and timeframes.</p> <p>No employee probation periods were extended during the 2018-19 reporting period.</p>
<b>3. Natural Justice</b>	<p>The principles of natural justice are communicated to all employees. Natural justice is adhered to in all dealings with employees and reflected in internal policies and procedures.</p>
<b>4. Employee Performance Management and Development Systems</b>	<p>The department's performance management system integrates the department's planning framework and objectives with employees' work priorities and aligns with the department's Strategic Plan and objectives.</p>
<b>5. Medical Examinations</b>	<p>Five employees were directed to attend an examination by a health practitioner for the 2018-19 period.</p>
<b>6. Employee Performance and Inability</b>	<p>The department's performance management system provides a framework for managers and staff to document where performance improvement is required. Human Resource Services staff support managers dealing with under-performance issues and help managers and staff to improve performance.</p> <p>One inability process was undertaken during 2018-19.</p>
<b>7. Discipline</b>	<p>The department's discipline policy and procedure is available to all staff on the intranet.</p> <p>One disciplinary process was undertaken during 2018-19.</p>
<b>8. Internal Department Complaints and Section 59 Grievance Reviews</b>	<p>The department's grievance policy and procedure is available to all staff on the intranet. Human Resources provide advice and support to managers and staff to deal with grievances.</p> <p>Three internal complaints were received during the 2018-19 period, however there were no section 59 Grievances Reviews during the reporting period.</p>
<b>9. Employment Records</b>	<p>DCIS stores all personnel files. The department complies with the DCIS policy regarding access to these files. Any requests to access employee records are made through the Director of Human Resources.</p> <p>No employee records were released through the <i>Freedom of Information Act</i> in 2018-19.</p>

# REPORTING AGAINST EMPLOYMENT INSTRUCTIONS

Department Action 2018-19	
<b>10. Equality of Employment Opportunity Programs</b>	<p>The department has an Equal Employment Opportunity Management Policy.</p> <p>Details of the department's Aboriginal Employment and Career Development programs and initiatives are reported earlier in this section of the annual report.</p>
<b>11. Occupational Health and Safety Standards Programs</b>	<p>The department has a Work Health and Safety (WHS) Committee to ensure WHS compliance. The details of the WHS activities are reported in the annual report. Current obligations, policies and procedures are available to all staff on the intranet.</p>
<b>12. Code of Conduct</b>	<p>New employees are given a copy of Employment Instruction No.12 - Code of Conduct during the corporate induction as part of their commencement package and it is available on the intranet. In-house training sessions of Appropriate Workplace Behaviour are provided to promote compliance with the Code of Conduct.</p> <p>The Transit Safety Unit has its own Code of Conduct, which complements the Northern Territory Public Sector Code of Conduct.</p>
<b>13. Appropriate Workplace Behaviour</b>	<p>The department is committed to providing all employees with a safe and healthy workplace, free from inappropriate behaviours such as bullying, harassment and discrimination.</p> <p>Training on Appropriate Workplace Behaviours, Verbal Judo and Mental Health Awareness was delivered in 2018-19. The training provided useful tools and resources to employees in their working environments.</p> <p>Three formal complaints were made about inappropriate workplace behaviour during the reporting period.</p>
<b>14. Redeployment and Redundancy Procedures</b>	<p>The department acts in accordance with redeployment and redundancy procedures as set out under the Enterprise Agreement and Employment Instruction 14.</p> <p>In 2018-19, no employees became redeployees, however four employees were made redundant.</p>
<b>15. Special Measures</b>	<p>The department has six positions where a special measures plan applies in the DriveSafe team.</p> <p>The department also continues to participate in specific Aboriginal Early Careers Programs to meet identified targets.</p>





# FINANCIAL PERFORMANCE



# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019

**The Department of Infrastructure, Planning and Logistics (the department) works with Territory businesses, industry and the community to plan, regulate, facilitate and construct integrated, sustainable development and works across the Territory.**

The department is responsible for:

- strategic planning to set the direction for land use, transport networks and infrastructure to meet the community's needs and support future development of the Territory
- delivering the Territory's infrastructure program and providing services as the Territory's central construction agency, including strategic infrastructure planning
- managing land administered on behalf of the Territory and the Crown, and whole of Territory land-related spatial information and data used to support long-term planning
- supporting a number of statutory committees and boards related to the agency's functions and responsibilities

- providing regulatory and customer services to ensure safe, efficient and sustainable land use, including building development, planning and transport systems
- advocating the Territory's interests in national and local forums.

The department's output groups are:

- Infrastructure Investment Program, Support and Delivery
- Lands and Planning
- Logistics Infrastructure and Services
- Strategy, Policy and Legislation
- Northern Territory Planning Commission
- Corporate and Governance.

Refer to Note 3 of the Financial Statements for reporting by output groups.

# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019



## OPERATING STATEMENT (FINANCIAL PERFORMANCE)

The department reports an operating deficit of \$72.7 million against a budgeted deficit of \$87 million. Deficit results are planned as depreciation expenses (\$78 million actual result) are not funded through output appropriation under the Territory's Financial Management Framework. Revenue was greater due to the accounting treatment to recognise the gain to the department through the gifting of the Howard Springs Workers Village to the Territory.

The deficit also includes a number of additional capital grant payments approved by Government to be funded from existing cash reserves, approved use of cash balances from prior year commitments and non-cash expenses relating to completed capital works that do not meet the capitalisation criteria. In addition, a loss in disposal of assets relating to land was recorded as expenditure, which is unbudgeted.

All items listed have contributed to the increase in the budgeted deficit for operational expenditure, however are all supported and the department is able to demonstrate its achievement of coming in on budget.

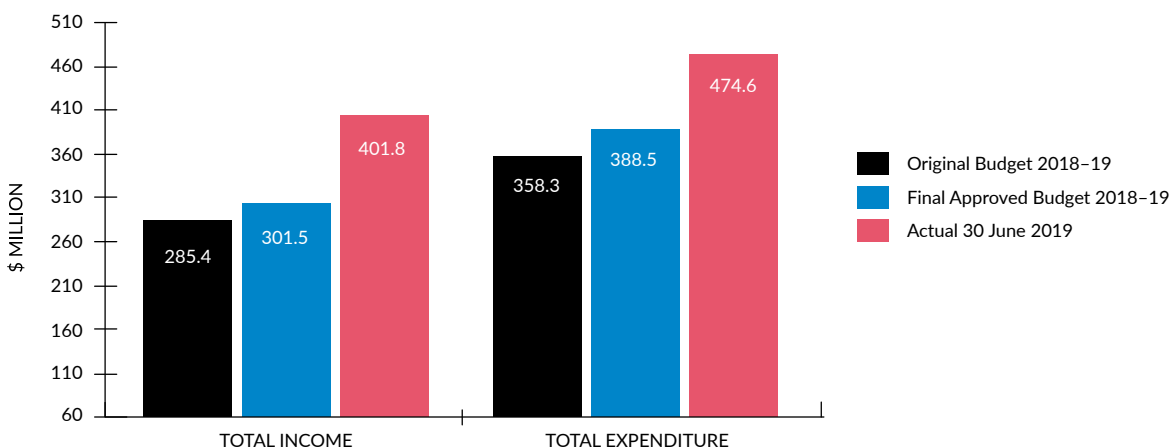
## SUMMARY OF FINANCIAL PERFORMANCE

The graph below summarises changes in total income and total expenditure over the 2018-19 financial year, from the original budget to the final approved budget which was revised in June 2019. This is compared against the actual result as at June 2019.

It should be noted that the significant increase in actual revenue of \$100.3 million was mainly due to the gain on the recognition of the gifting of the Howard Springs Workers Village to the Territory, valued at \$97 million. In addition, for noting is the significant increase in expenditure of \$116.3 million from the original budget, which is explained in the expenditure trend section of this summary.

Variations against budget were due to additional expenditure directed by Government and variances relating to accounting treatments. When excluding all the variations that are able to be supported, the department has come in on budget whilst achieving all its outputs.

Summary of Financial Performance 2018-19

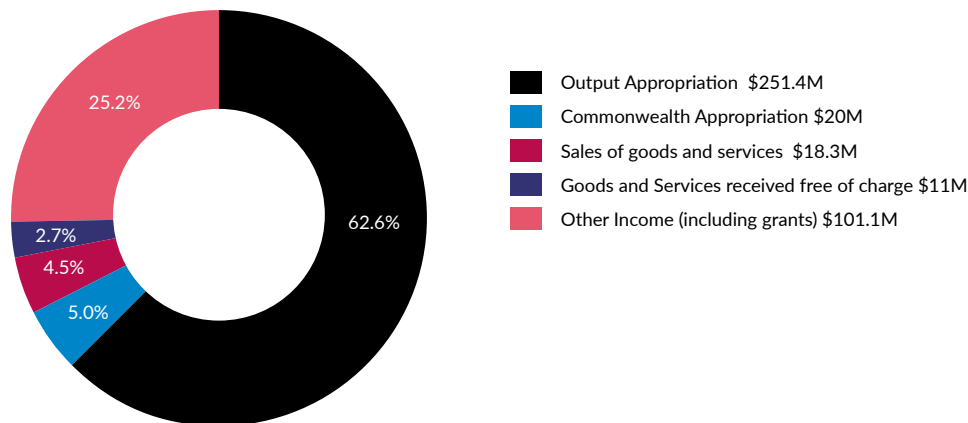




# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019

## 2018-19 Operating Income Profile (\$401.8M)



## OPERATING INCOME

Total operating income for 2018-19 was \$401.8 million, being \$100.3 million higher than the final approved budget. The main source of funding was output appropriation \$251.4 million, followed by other income of \$100.5 million which mainly relates to the accounting treatment to recognise a \$97 million gain by the department who recorded the gifting of the Howard Springs Workers Village on behalf of Government. The accounting treatment for the Howard Springs Workers Village was also the main reason for the increase between years.

Commonwealth appropriation of \$20 million primarily relates to repairs and maintenance on National Highways, funding for the Black Spot Program and administrative support to deliver the Commonwealth roads capital works program.

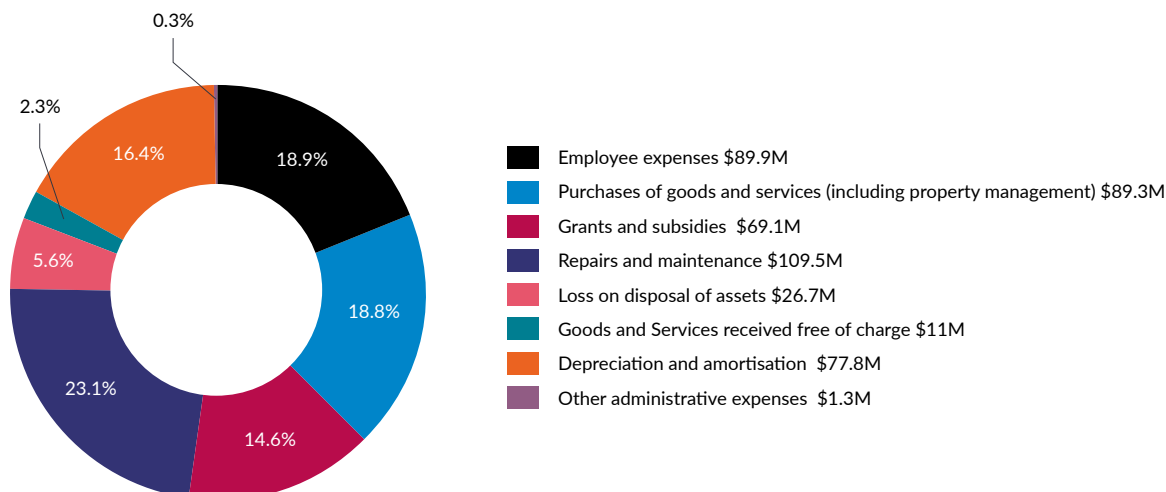
Revenue was also derived from the sales of goods and services, current and capital grants revenue and other income consisting of goods and services received free of charge (for notional shared services) and miscellaneous revenue.

# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019



2018–19 Operating Expense Profile (\$474.6M)



## OPERATING EXPENSES

Total operating expenses for 2018–19 were \$474.6 million being \$86.1 million over budget. Repairs and maintenance expenditure of \$109.5 million constitutes the greatest portion of this cost followed by employee expenses of \$89.9 million, purchases of goods and services (including property management) of \$89.2 million, depreciation and amortisation of \$77.8 million, grants and subsidies of \$69 million and a loss on disposal of assets relating to land of \$26.7 million.

# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019

## EXPENDITURE TREND

The table below shows actual spend against the total approved budget in 2018-19.

	2017-18		2018-19		
	Actual \$M	Actual \$M	Final Approved Budget \$M	Variance \$M	Variance %
<b>Operating expenses</b>					
Employee expenses	87.9	89.9	89.3	0.6	0.7%
Purchases of goods and services (including property management)	85.2	89.3	85.3	4.0	4.7%
Repairs and maintenance	128.3	109.5	105.0	4.5	4.3%
Other administrative expenses (including interest)	7.2	1.3	-	1.3	-
Grants and Subsidies	42.0	69.1	22.6	46.5	205.8%
Depreciation and amortisation	67.4	77.8	75.1	2.7	3.6%
Loss on Disposal of Asset	-	26.7	-	26.7	-
Goods and Services received free of charge	11.4	11.0	11.2	(0.2)	(1.8%)
<b>TOTAL</b>	<b>429.4</b>	<b>474.6</b>	<b>388.5</b>	<b>86.1</b>	<b>22.2%</b>

Overall, the department spent \$86.1 million more than budgeted. This variance is able to be explained in full below and when taking into consideration these items, the department came in on budget.

Key expense variations to the final approved budget are highlighted below, all of which are supported:

- Grants and subsidies was \$46.5 million higher due to a number of additional capital grant payments approved by Government, funded through existing cash reserves.
  - Loss on disposal of assets relating to land was \$26.7 million. This loss is an unbudgeted item and is required due to the accounting treatment to derecognise the value of the land.
  - Repairs and maintenance was \$4.5 million higher than budget due to expenditure associated with disaster maintenance and the accounting treatment of non-cash expenditure associated with completed capital works projects which do not meet the capitalisation criteria and are expensed to derecognise their value.
  - Depreciation was \$2.7 million higher than budget and is all non-cash expenditure required to recognise the use of assets over their useful lives. This was higher due to additional completed
- new works which were capitalised and required to be depreciated during the financial year.
  - Purchase of goods and services and other administrative expenses were \$4 million and \$1.3 million higher than budget respectively due to:
    - o increased payments for demand driven bus contracts;
    - o payments made on behalf of the previous Home Building Certification Fund scheme that provided policy holders with cover in the event that building works were non-compliant with the National Construction Code of Australia including the Building Code and Plumbing Code of Australia;
    - o costs relating to the National Marine reforms as part of the transition through the Council of Australian Governments (COAG) agreement; and
    - o unfunded legal expenditure and expenses relating to the upkeep of the Howard Springs Workers Village.
  - Employee expenses was slightly over budget due to some voluntary redundancies.



# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019



## BALANCE SHEET

The Balance Sheet shows the department's net worth and financial position. The department held assets totalling \$7.1 billion at 30 June 2019.

The largest component of the department's asset profile relates to infrastructure assets of \$5.1 billion, which are predominantly Territory road network assets inclusive of roads and bridges. Also included in infrastructure assets are transport assets, such as barge landings, aerodromes and marine infrastructure.

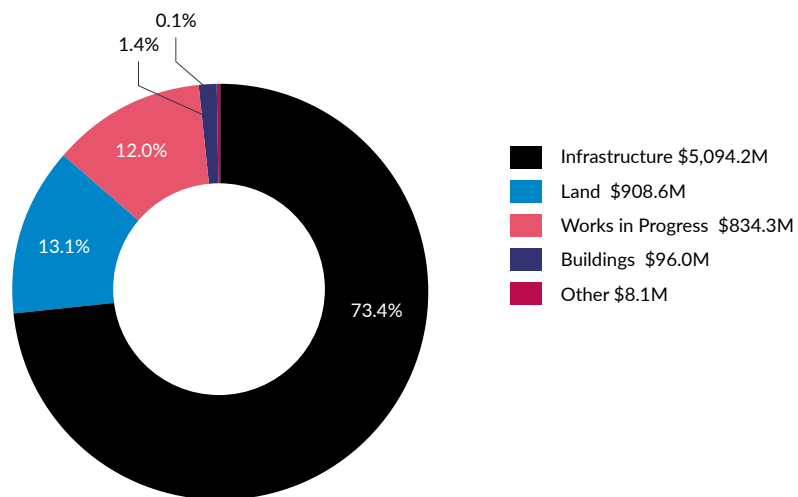
The department carried out an infrastructure asset revaluation in this category during 2018-19, which resulted in an increase in value of infrastructure assets of \$99.9 million.

The department maintains a rolling revaluation program and the valuation of these assets are in line with Treasurer's Directions and accounting principles.

Another significant component of the asset profile is land, primarily Crown land. The land portfolio includes vacant Crown land which is managed by the department as the Crown land administrator to meet current and future land requirements of the Territory Government.

The department plays a lead role in planning, constructing and maintaining Government infrastructure across the Northern Territory and holds construction (work in progress) at \$834.3 million. This value represents the current collective value of works which are yet to be completed and transferred to each appropriate host department.

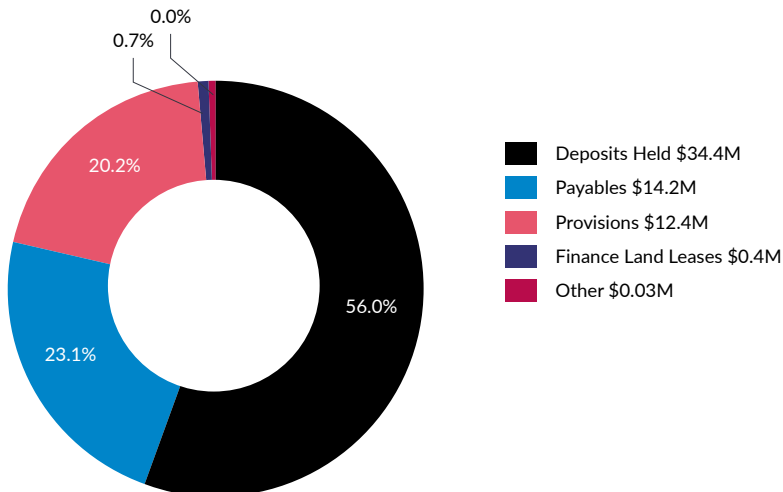
### 2018-19 Asset Portfolio - Property, Plant and Equipment (\$6,941.2M)



# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019

## 2018-19 Liabilities (\$61.4M)



## LIABILITIES

The department held liabilities of \$61.4 million as at 30 June 2019 comprising of deposits held in trust, payables and provisions.

In 2018-19 the department continued to maintain a strong financial position, with liabilities representing approximately 0.9% of total assets. An increase of 0.2% to the previous year represents a \$16 million increase in deposits held in trust.

# FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2019



## STATEMENT OF CASH FLOW

The Statement of Cash Flows represents cash received and applied during the year from operating, investing and financing activities. The table below summarises the movement of cash over the year.

The department held cash and deposits of \$96.4 million at year end. These funds will be utilised in future years to meet the department's obligations such as carrying out works on the Infrastructure Program including Commonwealth capital works expenditure. Funds will also be utilised to meet recoverable works deposits held and carry-over items including grant commitments from prior years, infrastructure related expenses not spent in time, repairs and maintenance stimulus funding and Commonwealth capital works expenses.

The cash position during the year is predominantly impacted by the timing of payments, carryovers of unspent funds and timing of Commonwealth funding. The 2018-19 financial year also included a number of grants paid by the department from existing cash reserves, as directed by Government. These additional grants contributed to the reduced cash reserves held.

## INFRASTRUCTURE PAYMENTS

The department spent \$920 million in total infrastructure payments on behalf of the Territory. This includes capital and minor new works of \$546 million and \$140 million delivered on behalf of the Department of Housing and Community Development. In addition, \$165 million in repairs and maintenance delivered on behalf of the department and other Government agencies, \$63 million in capital grants and \$5 million in infrastructure related consultancies to support the design and delivery of the Territory's infrastructure program.

## CASH FLOW MOVEMENT SUMMARY

	2017-18		2018-19		
	Actual \$M	Actual \$M	Final Approved Budget \$M	Variance \$M	Variance %
<b>Cash Flow</b>					
Cash at beginning of year	269.1	175.7	175.7	-	-
Cash received	799.8	930.9	850.4	80.5	9.4%
Less cash spent	893.2	1010.2	855.3	(154.9)	18.1%
<b>CASH AT END OF REPORTING PERIOD</b>	<b>175.7</b>	<b>96.4</b>	<b>170.8</b>	<b>(74.4)</b>	<b>(43.6%)</b>



# FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

## CERTIFICATION OF THE FINANCIAL STATEMENTS

We certify that the attached financial statements for the Department of Infrastructure, Planning and Logistics have been prepared based on proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995* and Treasurer's Directions.

We further state that the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to and forming part of the financial statements, presents fairly the financial performance and cash flows for the year ended 30 June 2019 and the financial position on that date.

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



ANDREW KIRKMAN

Chief Executive

29 August 2019



FOTIS PAPADAKIS

Chief Financial Officer

29 August 2019

# FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2019



## COMPREHENSIVE OPERATING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$'000	2018 \$'000
<b>INCOME</b>			
<b>Grants and subsidies revenue</b>			
Current		605	439
<b>Appropriation</b>			
Output		251,357	288,969
Commonwealth		20,059	18,483
Sales of goods and services		18,342	17,607
Interest revenue		-	35
Goods and services received free of charge	4	11,004	11,433
Gain on disposal of assets	5	-	1,395
Other income		100,456	2,017
<b>TOTAL INCOME</b>	<b>3</b>	<b>401,823</b>	<b>340,378</b>
<b>EXPENSES</b>			
Employee expenses		89,921	87,870
<b>Administrative expenses</b>			
Purchases of goods and services	6	82,044	78,556
Repairs and maintenance		109,468	128,273
Property management		7,182	6,622
Loss on disposal of assets	5	26,716	-
Depreciation and amortisation	13, 14	77,796	67,364
Other administrative expenses <sup>(1)</sup>		12,296	18,678
<b>Grants and subsidies expenses</b>			
Current		6,219	6,117
Capital		62,892	35,869
Interest expenses		24	23
<b>TOTAL EXPENSES</b>	<b>3</b>	<b>474,558</b>	<b>429,372</b>
<b>NET DEFICIT</b>		<b>(72,735)</b>	<b>(88,994)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<i>Items that will not be reclassified to net deficit</i>			
Changes in asset revaluation surplus	21	15,945	90,292
Transfers from reserves		31,963	18,670
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>47,908</b>	<b>108,962</b>
<b>COMPREHENSIVE RESULT</b>		<b>(24,827)</b>	<b>19,968</b>

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

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

# FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2019

## BALANCE SHEET

AS AT 30 JUNE 2019

	Note	2019 \$'000	2018 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and deposits	8	96,373	175,742
Receivables	10	13,560	17,657
Prepayments		467	1,382
Assets held for sale	11	3,737	38,722
<b>Total Current Assets</b>		<b>114,137</b>	<b>233,503</b>
<b>Non-Current Assets</b>			
Advances	12	937	986
Property, plant and equipment	13	6,941,218	6,732,120
Heritage and cultural assets	14	309	271
Other assets	15	19,907	18,603
<b>Total Non-Current Assets</b>		<b>6,962,371</b>	<b>6,751,980</b>
<b>TOTAL ASSETS</b>		<b>7,076,508</b>	<b>6,985,483</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deposits held	16	34,414	18,649
Payables	17	14,156	16,530
Borrowings and advances	18	5	5
Provisions	19	12,394	12,494
Other Liabilities		30	9
<b>Total Current Liabilities</b>		<b>60,999</b>	<b>47,687</b>
<b>Non-Current Liabilities</b>			
Borrowings and advances	18	380	354
<b>Total Non-Current Liabilities</b>		<b>380</b>	<b>354</b>
<b>TOTAL LIABILITIES</b>		<b>61,379</b>	<b>48,041</b>
<b>NET ASSETS</b>		<b>7,015,129</b>	<b>6,937,442</b>
<b>EQUITY</b>			
Capital		4,132,034	4,029,521
Reserves	21	3,998,200	3,982,255
Accumulated funds		(1,115,105)	(1,074,334)
<b>TOTAL EQUITY</b>		<b>7,015,129</b>	<b>6,937,442</b>

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

# FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2019



## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		\$'000	\$'000	\$'000	\$'000
<b>2018-19</b>					
<b>Accumulated Funds</b>		<b>(1,074,334)</b>	<b>(72,735)</b>	<b>-</b>	<b>(1,147,068)</b>
Transfers from reserves		-	31,963	-	31,963
		<b>(1,074,334)</b>	<b>(40,772)</b>	<b>-</b>	<b>(1,115,105)</b>
<b>Reserves</b>		<b>3,982,255</b>	<b>-</b>	<b>-</b>	<b>3,982,255</b>
Asset revaluation reserve		-	15,945	-	15,945
	21	<b>3,982,255</b>	<b>15,945</b>	<b>-</b>	<b>3,998,200</b>
<b>Capital - Transactions with Owners</b>		<b>4,029,521</b>			<b>4,029,521</b>
Equity injections					
Capital appropriation		-	-	361,729	361,729
Equity transfers in		-	-	2,999	2,999
National partnership payments		-	-	153,863	153,863
Commonwealth - capital		-	-	22,729	22,729
Equity withdrawals					
Capital withdrawal		-	-	(30,000)	(30,000)
Equity transfers out		-	-	(408,807)	(408,807)
		<b>4,029,521</b>	<b>-</b>	<b>102,513</b>	<b>4,132,034</b>
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>		<b>6,937,442</b>	<b>(24,827)</b>	<b>102,513</b>	<b>7,015,129</b>



# FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2019

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Note	Equity at 1 July	Comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June
		\$'000	\$'000	\$'000	\$'000
<b>2017-18</b>					
<b>Accumulated Funds</b>		<b>(1,004,009)</b>	<b>(88,994)</b>	<b>-</b>	<b>(1,093,003)</b>
Transfers from reserves		-	18,670	-	18,670
		<b>(1,004,009)</b>	<b>(70,324)</b>	<b>-</b>	<b>(1,074,334)</b>
<b>Reserves</b>		<b>3,891,963</b>	<b>-</b>	<b>-</b>	<b>3,891,963</b>
Asset revaluation reserve		-	90,292	-	90,292
Other reserves		-	-	-	-
	21	<b>3,891,963</b>	<b>90,292</b>	<b>-</b>	<b>3,982,255</b>
<b>Capital - Transactions with Owners</b>		<b>3,880,749</b>			<b>3,880,749</b>
Equity injections					
Capital appropriation		-	-	291,525	291,525
Equity transfers in		-	-	30	30
Other equity injections		-	-	398	398
Specific purpose payments		-	-	17,500	17,500
National partnership payments		-	-	44,544	44,544
Commonwealth - capital		-	-	23,845	23,845
Equity withdrawals					
Capital withdrawal		-	-	(16,651)	(16,651)
Equity transfers out		-	-	(212,419)	(212,419)
		<b>3,880,749</b>	<b>-</b>	<b>148,772</b>	<b>4,029,521</b>
<b>TOTAL EQUITY AT END OF FINANCIAL YEAR</b>		<b>6,768,702</b>	<b>19,968</b>	<b>148,772</b>	<b>6,937,442</b>

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

# FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2019



## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019	2018
		\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating Receipts</b>			
Grants and subsidies received			
Current		605	439
<b>Appropriation</b>			
Output		251,357	288,969
Commonwealth		20,059	18,483
Receipts from sales of goods and services		100,462	93,526
Interest received		-	35
<b>TOTAL OPERATING RECEIPTS</b>		<b>372,483</b>	<b>401,452</b>
<b>Operating Payments</b>			
Payments to employees		(90,008)	(87,389)
Payments for goods and services		(271,501)	(285,172)
Grants and subsidies paid			
Current		(6,219)	(6,117)
Capital		(62,892)	(35,869)
Interest paid		(24)	(23)
<b>TOTAL OPERATING PAYMENTS</b>		<b>(430,644)</b>	<b>(414,570)</b>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>9</b>	<b>(58,161)</b>	<b>(13,118)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Investing Receipts</b>			
Proceeds from asset sales	5	4,305	14,804
Repayment of advances		-	467
<b>TOTAL INVESTING RECEIPTS</b>		<b>4,305</b>	<b>15,271</b>
<b>Investing Payments</b>			
Purchases of assets		(549,643)	(461,922)
Advances and investing payments		49	(52)
<b>TOTAL INVESTING PAYMENTS</b>		<b>(549,594)</b>	<b>(461,974)</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(545,289)</b>	<b>(446,703)</b>

# FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2019

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2019 (CONT.)

	Note	2019	2018
		\$'000	\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Financing Receipts</b>			
Deposits received		15,765	5,285
Equity injections			
Capital appropriation		361,729	291,525
Commonwealth appropriation		176,593	85,889
Other equity injections		-	398
<b>TOTAL FINANCING RECEIPTS</b>		<b>554,087</b>	<b>383,097</b>
<b>Financing Payments</b>			
Finance lease payments		(6)	(5)
Equity withdrawals		(30,000)	(16,651)
<b>TOTAL FINANCING PAYMENTS</b>		<b>(30,006)</b>	<b>(16,655)</b>
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>524,081</b>	<b>366,442</b>
Net decrease in cash held		(79,369)	(93,379)
Cash at beginning of financial year		175,742	269,121
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>8</b>	<b>96,373</b>	<b>175,742</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



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# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 1. OBJECTIVES AND FUNDING

The Department of Infrastructure, Planning and Logistics works with Territory businesses, industry and the community to plan, regulate, facilitate and construct integrated, sustainable development and works across the Territory. The department also supports a number of statutory committees and boards related to the agency's functions and responsibilities. Additional information on key functional responsibilities of the department can be found in the Performance Finance Summary in the Performance Reporting section of the Annual Report.

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

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### a) Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act 1995* and related Treasurer's Directions. The *Financial Management Act 1995* requires the Department of Infrastructure, Planning and Logistics to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements is to include:

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

### b) Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting, which recognises the effect of financial transactions and events when they occur, rather than when cash is paid out or received. As part of the preparation of the financial statements, all intraagency transactions and balances have been eliminated.

Except where stated, the financial statements

have also been prepared in accordance with the historical cost convention.

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

### Standards and Interpretations Effective From 2018-19

#### AASB 9 FINANCIAL INSTRUMENTS

The agency applied AASB 9 for the first time in 2018/19. AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018. The agency has not restated the comparative information, which continues to be reported under AASB 139. Where applicable, differences arising from the adoption of AASB 9 have been recognised directly in accumulated funds and other components of equity. The nature and effect of the changes as a result of adoption of this new accounting standard are described below.

#### Classification and measurement

Financial instruments have been reclassified into one of three measurement bases – amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification of these instruments is based on the agency's business model for managing the financial assets and the contractual terms of the cash flows.

The classification and measurement requirements of AASB 9 did not have a significant impact to the agency. The following are the changes in the classification of the financial assets:

- The agency's debt instruments are comprised of cash and deposits, receivables, advances receivable and lease receivables. These assets were classified as Loans and Receivables as at 30 June 2018 under AASB 139 and were measured at amortised cost. As these assets are held to collect contractual cash flows that are solely payments of principal and interest, they continue to be measured at amortised cost from 1 July 2018.

The agency has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the agency's financial liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

	AASB 9 categories Balances at 1 July 2018					
	Balances at 30 June 2018	Fair value through profit or loss			Amortised cost	Fair value through OCI
		Mandatorily at fair value	Designated at fair value			
AASB 139 categories	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Loans and receivables</b>						
Cash and deposits	175,742	-	-	175,742	-	
Receivables	5,254	-	-	5,254	-	
Advances receivable	986	-	-	986	-	
Other assets – finance lease	18,603	-	-	18,603	-	
	<b>200,585</b>	<b>-</b>	<b>-</b>	<b>200,585</b>	<b>-</b>	

### Impairment

The adoption of AASB 9 requires the loss allowance to be measured using a forward-looking expected credit loss (ECL) approach, replacing AASB 139's incurred loss approach. AASB 9 also requires a loss allowance to be recognised for all debt instruments other than those held at fair value through profit or loss.

There has been no changes to impairment losses following the adoption of AASB 9.

Several other amending standards and AASB interpretations have been issued that apply to the current reporting periods, but are considered to have no impact on public sector reporting.

### Standards and Interpretations Issued But Not Yet Effective

No Australian accounting standards have been early adopted for 2018–19.

On the date of authorisation of the financial statements, the following standards and interpretations were in issue but are not yet effective and are expected to have an impact on future reporting periods:

#### AASB 16 LEASES

AASB 16 Leases is effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20 financial statements. When effective, the standard will supersede AASB 117 Leases and require the majority of leases to be recognised on the Balance Sheet.

For lessees with operating leases, a right-of-use asset will now be included in the Balance Sheet together with a lease liability for all leases with a term of 12 months or more, unless the underlying assets are of low value. The Comprehensive Operating Statement will no longer report operating lease rental payments. Instead amortisation expense will be recognised relating to the right-to-use asset and interest expense relating to the lease liability.

The right-of-use asset will be amortised generally on a straight-line basis while the lease liability will reduce to reflect lease payments made and increase to reflect the interest on the liability. Consistent with methodology applied to other long term liabilities, the lease liability is discounted using the Territory bond rates. As the lease term progresses, the carrying amount of the asset (cost less accumulated amortisation) is likely to reduce more quickly than the liability, resulting in a lower net asset in the earlier stages of the lease arrangement.

The modified retrospective approach has been elected to transition to the new lease standard. This approach does not require restatement of comparative years and the cumulative impact is accounted for as an equal adjustment to the right-of-use asset and lease liabilities, thus, having no impact in agency's net assets at initial adoption.

For lessors, the finance and operating lease distinction remains largely unchanged.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### AASB 1058 INCOME FOR NOT-FOR-PROFIT ENTITIES AND AASB 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

AASB 1058 Income for Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers are effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019–20 financial statements.

AASB 1058 clarifies and simplifies income-recognition requirements that apply to not-for-profit entities in conjunction with AASB 15.

Under AASB 15, revenue from agreements which are enforceable, have sufficiently specific performance obligations and transfer goods or services to the customer or third party beneficiary will be recognised when or as performance obligations are satisfied, and not immediately upon receipt as currently occurs. Consequently, more liabilities will be recognised in the balance sheet after adoption of this standard.

Where a transaction does not meet the criteria above or is classified as a donation transaction, revenue will be accounted for in accordance with AASB 1058.

Impacts identified include:

- grants received to construct or acquire a non-financial asset will be recognised as a liability, and subsequently recognised as revenue as the performance obligations under the grant are satisfied. At present, such grants are recognised as revenue on receipt
- grants with an enforceable agreement and sufficiently specific performance obligations will be recognised as revenue progressively as the associated performance obligations are satisfied. At present, such grants are recognised as revenue on receipt
- grants that have an enforceable agreement but no specific performance obligations but have restrictions on the timing of expenditure will also continue to be recognised on receipt as time restriction on the use of funds is not sufficiently specific to create a performance obligation
- grants that are not enforceable and or not sufficiently specific will not qualify for deferral, and will continue to be recognised as revenue on receipt

The modified retrospective approach has been elected to transition to the new revenue standards. This approach does not require restatement of comparative year with the cumulative impact adjusted to the opening accumulated funds.

The standard is estimated to increase the agency's liability (unearned revenue) by \$50.28 million with an equivalent reduction to accumulated funds due to the timing difference between the receipt of revenue and performance of obligations. The liability will unwind upon satisfaction of the performance obligation.

### c) Reporting Entity

The financial statements cover the department as an individual reporting entity. The Department of Infrastructure, Planning and Logistics (the department) is a Northern Territory department established under the *Interpretation Act 1978 Administrative Arrangements Order*.

The principal place of business of the department is 18–20 Cavenagh Street Darwin.

### d) Agency and Territory Items

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

### Central Holding Authority

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the agency's financial statements. However, as the agency is accountable for certain Territory items managed on behalf of Government, these items have been separately disclosed in Note 28 – Schedule of Administered Territory Items.

### e) Comparatives

Where necessary, comparative information for the 2017–18 financial year has been reclassified to provide consistency with current year disclosures.

### f) Presentation and Rounding of Amounts

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

### g) Changes in Accounting Policies

There have been no changes to accounting policies adopted in 2018-19 as a result of management decisions.

### h) Accounting Judgments and Estimates

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

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

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

### i) Goods and Services Tax

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

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

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

### j) Contributions by and Distributions to Government

The agency may receive contributions from Government where the Government is acting as owner of the agency. Conversely, the agency may make distributions to Government. In accordance with the *Financial Management Act 1995* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, Government. These designated contributions and distributions are treated by the agency as adjustments to equity.

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



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

		Infrastructure Investment Program, Support and Delivery	Lands and Planning	Logistics Infrastructure and Services	Strategy, Policy and Legislation	Northern Territory Planning Commission	Corporate and Governance	Total
	Note	2019	2019	2019	2019	2019	2019	2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>								
<b>Grants and subsidies revenue</b>								
Current		-	-	605	-	-	-	605
<b>Appropriation</b>								
Output		27,955	34,102	171,171	2,437	374	15,318	251,357
Commonwealth		-	-	20,059	-	-	-	20,059
Sales of goods and services		28	4,050	13,685	-	-	579	18,342
Interest revenue		-	-	-	-	-	-	-
Goods and services received free of charge	4	-	-	-	-	-	11,004	11,004
Gain on disposal of assets	5	-	-	-	-	-	-	-
Other income		20	99,506	476	1	-	453	100,456
<b>TOTAL INCOME</b>		<b>28,003</b>	<b>137,658</b>	<b>205,996</b>	<b>2,438</b>	<b>374</b>	<b>27,354</b>	<b>401,823</b>
<b>EXPENSES</b>								
Employee expenses		23,096	18,328	37,317	1,621	82	9,477	89,921
<b>Administrative expenses</b>								
Purchases of goods and services	6	3,624	7,232	66,852	646	237	3,453	82,044
Repairs and maintenance		1,888	9,109	98,471	-	-	-	109,468
Property management		171	4,200	2,171	8	6	626	7,182
Loss on disposal of assets		-	26,732	(16)	-	-	-	26,716
Depreciation and amortisation	13, 14	3,906	5,150	68,503	136	-	101	77,796
Other administrative expenses		-	1,198	-	-	-	94	1,292
<b>Grants and subsidies expenses</b>								
Current		-	1,644	4,423	152	-	-	6,219
Capital		37,735	8,906	16,251	-	-	-	62,892
Goods and services received free of charge		-	-	-	-	-	11,004	11,004
Interest expenses		-	-	-	-	-	24	24
<b>TOTAL EXPENSES</b>		<b>70,420</b>	<b>82,499</b>	<b>293,972</b>	<b>2,563</b>	<b>325</b>	<b>24,779</b>	<b>474,558</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(42,417)</b>	<b>55,159</b>	<b>(87,976)</b>	<b>(125)</b>	<b>49</b>	<b>2,575</b>	<b>(72,735)</b>
<b>OTHER COMPREHENSIVE INCOME</b>								
<b>Items that will not be reclassified to net deficit</b>								
Changes in asset revaluation surplus	21	-	(85,513)	101,458	-	-	-	15,945
Transfers from Reserves		-	31,963	-	-	-	-	31,963
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>(53,550)</b>	<b>101,458</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,908</b>
<b>COMPREHENSIVE RESULT</b>		<b>(42,417)</b>	<b>1,609</b>	<b>13,482</b>	<b>(125)</b>	<b>49</b>	<b>2,575</b>	<b>(24,827)</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP (CONT.)

	Note	Infrastructure Investment Program, Support and Delivery	Lands and Planning	Logistics Infrastructure and Services	Strategy, Policy and Legislation	Northern Territory Planning Commission	Corporate and Governance	Total
		2018	2018	2018	2018	2018	2018	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>								
<b>Grants and subsidies revenue</b>								
Current		-	-	439	-	-	-	439
<b>Appropriation</b>								
Output		38,265	38,863	192,190	2,422	374	16,855	288,969
Commonwealth		-	-	18,483	-	-	-	18,483
Sales of goods and services		-	3,762	13,264	-	-	581	17,607
Interest revenue		-	24	-	11	-	-	35
Goods and services received free of charge	4	-	-	-	-	-	11,433	11,433
Gain on disposal of assets	5	-	1,373	22	-	-	-	1,395
Other income		15	1,581	401	1	-	19	2,017
<b>TOTAL INCOME</b>		<b>38,280</b>	<b>45,603</b>	<b>224,799</b>	<b>2,434</b>	<b>374</b>	<b>28,888</b>	<b>340,378</b>
<b>EXPENSES</b>								
Employee expenses		22,950	18,068	35,990	1,827	90	8,945	87,870
<b>Administrative expenses</b>								
Purchases of goods and services	6	3,544	8,481	61,717	693	182	3,939	78,556
Repairs and maintenance		1,369	12,700	114,204	-	-	-	128,273
Property management		180	3,409	2,284	11	4	734	6,622
Loss on disposal of assets		-	-	-	-	-	-	-
Depreciation and amortisation	13, 14	1,294	4,807	61,015	136	-	112	67,364
Other administrative expenses		1	5,973	1,272	-	-	(1)	7,245
<b>Grants and subsidies expenses</b>								
Current		-	1,667	4,298	152	-	-	6,117
Capital		11,429	1,023	23,417	-	-	-	35,869
Goods and services received free of charge		-	-	-	-	-	11,433	11,433
Interest expenses		-	-	-	-	-	23	23
<b>TOTAL EXPENSES</b>		<b>40,767</b>	<b>56,128</b>	<b>304,197</b>	<b>2,819</b>	<b>276</b>	<b>25,185</b>	<b>429,372</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>(2,487)</b>	<b>(10,525)</b>	<b>(79,398)</b>	<b>(385)</b>	<b>98</b>	<b>3,703</b>	<b>(88,994)</b>
<b>OTHER COMPREHENSIVE INCOME</b>								
<b>Items that will not be reclassified to net deficit</b>								
Changes in asset revaluation surplus	21	-	84,673	5,619	-	-	-	90,292
Transfers from Reserves		-	18,670	-	-	-	-	18,670
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>103,343</b>	<b>5,619</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,962</b>
<b>COMPREHENSIVE RESULT</b>		<b>(2,487)</b>	<b>92,818</b>	<b>(73,779)</b>	<b>(385)</b>	<b>98</b>	<b>3,703</b>	<b>19,968</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP (CONT.)

### Income

Income encompasses both revenue and gains.

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

### Grants and Other Contributions

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

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

### Appropriation

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

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

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

### Sale of Goods

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

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

### Rendering of Services

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

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

### Interest Revenue

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

### Goods and Services Received Free of Charge

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## Disposal of Assets

A gain or loss on disposal of assets is included as a gain or a loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to Note 5.

## Contributions of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless otherwise determined

by Government, as gains when the agency obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

## Administered Income

The agency collects taxes, fines and regulatory fees on behalf of the Territory. The agency does not gain control over assets arising from these collections, consequently no income is recognised in the agency's financial statements. Accordingly, these amounts are disclosed as income in Note 28 Schedule of Administered Territory Items.

## 4. GOODS AND SERVICES RECEIVED FREE OF CHARGE

	2019	2018
	\$'000	\$'000
Department of Corporate and Information Services	11,004	11,433
<b>TOTAL GOODS AND SERVICES RECEIVED FREE OF CHARGE</b>	<b>11,004</b>	<b>11,433</b>

## 5. GAIN/(LOSS) ON DISPOSAL OF ASSETS

	2019	2018
	\$'000	\$'000
Net proceeds from the disposal of non-current assets <sup>(1)</sup>	4,306	14,804
Less: Carrying value of non-current assets disposed	(31,038)	(13,431)
Gain/(Loss) on the disposal of non-current assets	<b>(26,732)</b>	<b>1,373</b>
Proceeds from sale of minor assets	16	22
<b>TOTAL GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>	<b>(26,716)</b>	<b>1,395</b>

(1) Includes the sales from Land Held for Sale.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 6. PURCHASES OF GOODS AND SERVICES

	2019	2018
	\$'000	\$'000
<b>The net deficit has been arrived at after charging the following expenses:</b>		
<b>Goods and services expenses:</b>		
Agency service arrangements – (mainly bus contracts)	53,211	49,650
Information technology charges	11,269	10,726
Motor vehicle expenses	2,393	2,569
Consultants <sup>(1)</sup>	2,093	2,046
Communications	1,466	1,614
Evacuation costs	1,142	-
Survey, drafting and drilling	1,028	1,162
Marketing and promotion <sup>(2)</sup>	914	873
Insurance	911	974
Memberships	868	828
Training and study	810	944
Bank charges	670	662
Freight	598	770
Legal expenses <sup>(3)</sup>	579	1,509
Official duty fares	569	483
Regulatory, Advisory boards, committees	492	396
Accommodation	295	312
Travelling allowance	278	299
Document production	180	222
Advertising <sup>(4)</sup>	118	162
Recruitment <sup>(5)</sup>	108	88
Other	2,052	2,267
<b>TOTAL</b>	<b>82,044</b>	<b>78,556</b>

(1) Includes marketing, promotion and IT consultants.

(2) Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

(3) Includes legal fees, claim and settlement costs.

(4) Does not include recruitment advertising or marketing and promotion advertising.

(5) Includes recruitment-related advertising costs.

### Repairs and Maintenance Expense

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

### Interest Expense

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



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

	Agency		Agency		Territory Items		Territory Items	
	2019	No. of Trans.	2018	No. of Trans.	2019	No. of Trans.	2018	No. of Trans.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Write-offs, Postponements and Waivers Under the Financial Management Act 1995</b>								
Represented by:								
<i>Amounts written off, postponed and waived by Delegates</i>								
Irrecoverable amounts payable to the Territory or an agency written off	-	-	-	1	-	-	-	-
Losses or deficiencies of money written off	-	5	1	6	-	-	-	-
Public property written off	-	-	-	-	-	-	-	-
Waiver or postponement of right to receive or recover money or property	-	-	-	-	-	-	-	-
<b>TOTAL WRITTEN OFF, POSTPONED AND WAIVED BY DELEGATES</b>	-	5	1	7	-	-	-	-
<i>Amounts written off, postponed and waived by the Treasurer</i>								
Irrecoverable amounts payable to the Territory or an agency written off	2	2	14	3	18	3	-	-
Losses or deficiencies of money written off	-	-	-	-	-	-	-	-
Public property written off	-	-	535	3	-	-	-	-
Waiver or postponement of right to receive or recover money or property	-	-	-	-	-	-	-	-
<b>TOTAL WRITTEN OFF, POSTPONED AND WAIVED BY THE TREASURER</b>	2	2	549	6	18	3	-	-
<b>Write-offs, Postponements and Waivers Authorised Under Other Legislation</b>	-	-	-	-	-	-	-	-
<b>Gifts Under the Financial Management Act 1995</b>	-	-	-	-	-	-	-	-
<b>Gifts Authorised Under Other Legislation<sup>(a)</sup></b>	1,081	4	5,407	8	-	-	-	-
<b>Ex Gratia Payments Under the Financial Management Act 1995</b>	-	-	-	-	-	-	-	-

(a) Gifted under provisions of the Crown Lands Act 1992.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 8. CASH AND DEPOSITS

	2019	2018
	\$'000	\$'000
<b>CASH AND DEPOSITS</b>		
Cash on hand	25	26
Cash at bank	96,348	175,716
<b>TOTAL CASH AND DEPOSITS</b>	<b>96,373</b>	<b>175,742</b>

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand, cash at bank and cash equivalents. Cash equivalents are highly liquid short-term investments that are readily convertible to cash. Cash at bank includes monies held in the Accountable Officer's Trust Account (AOTA) that are ultimately payable to the beneficial owner – refer also to Note 27.

## 9. CASH FLOW RECONCILIATION

### a) Reconciliation of Cash

The total of agency 'Cash and deposits' of \$96,372,603 recorded in the Balance Sheet is consistent with that recorded as 'Cash' in the Cash Flow Statement.

#### RECONCILIATION OF NET DEFICIT TO NET CASH FROM OPERATING ACTIVITIES

<b>Net Deficit</b>	<b>(72,735)</b>	<b>(88,994)</b>
<i>Non-cash items:</i>		
Depreciation and amortisation	77,796	67,364
Asset write-offs/write-downs	-	535
Asset donations/gifts	1,081	5,407
Gain/(Loss) on disposal of assets	26,732	(1,373)
Assets acquired for nil consideration	(96,975)	-
Repairs and maintenance/Minor new works	4,839	4,669
<i>Changes in assets and liabilities:</i>		
Decrease/Increase in receivables	4,096	(2,908)
Decrease/Increase in prepayments	914	(227)
Increase in other assets	(1,304)	(1,216)
Decrease/Increase in payables	(2,526)	3,167
Decrease/Increase in provision for employee benefits	(113)	393
Increase in other provisions	13	56
Increase in other liabilities	21	9
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(58,161)</b>	<b>(13,118)</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 9. NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

### RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

2018-19	Cash Flows					Non Cash				
	Deposits Received	Finance Lease	Appropriation	Equity Injection / Withdrawals	Total Cash Flows	Other Equity Related Changes	Lease Acquisitions	Other	Total Non-Cash	Total 30 June
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deposits Held	18,649	-	-	-	15,765	-	-	-	-	34,414
Borrowings	359	(6)	-	-	(6)	-	32	-	32	385
Provisions	12,494	-	-	-	-	-	-	(100)	(100)	12,394
Equity Injections/Withdrawals	-	-	538,322	(30,000)	508,322	(405,809)	-	-	(405,809)	102,513
<b>TOTAL</b>	<b>31,502</b>	<b>15,765</b>	<b>(6)</b>	<b>(30,000)</b>	<b>524,081</b>	<b>(405,809)</b>	<b>32</b>	<b>(100)</b>	<b>(405,877)</b>	<b>149,706</b>
2017-18	Cash Flows					Non Cash				
	Deposits Received	Finance Lease	Appropriation	Equity Injection / Withdrawals	Total Cash Flows	Other Equity Related Changes	Other	Total Non-Cash	Total 30 June	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Deposits Held	13,364	-	-	-	5,285	-	-	-	-	18,649
Borrowings	363	(4)	-	-	(4)	-	-	-	-	359
Provisions	12,045	-	-	-	-	-	449	449	449	12,494
Equity Injections/Withdrawals	-	-	377,414	(16,253)	361,161	(212,389)	-	(212,389)	(212,389)	148,772
<b>TOTAL</b>	<b>25,772</b>	<b>5,285</b>	<b>(4)</b>	<b>(16,253)</b>	<b>366,442</b>	<b>(212,389)</b>	<b>449</b>	<b>(211,940)</b>	<b>180,274</b>	



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 10. RECEIVABLES

	2019	2018
	\$'000	\$'000
<b>Current</b>		
Accounts receivable	5,545	6,719
Less: Loss Allowance	(1,675)	(1,465)
	<b>3,870</b>	<b>5,254</b>
GST receivables	9,690	12,210
Other receivables	-	193
<b>TOTAL RECEIVABLES</b>	<b>13,560</b>	<b>17,657</b>

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

Accounts receivable are generally settled within 30 days and other receivables within 30 days.

The loss allowance reflects lifetime expected credit losses and represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful.

### Credit Risk Exposure of Receivables

Receivables are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. The entity applies the AASB 9 simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on lifetime expected credit losses for all accounts receivables. To measure expected credit losses, receivables have been grouped based on shared risk characteristics and days past due.

The expected loss rates are based on historical observed loss rates, adjusted to reflect current and

forward-looking information, including macroeconomic factors. The agency has analysed its trade receivables in consideration of the estimated negative year on year percentage change in employment in the Northern Territory for the 2018/19 year of 3.6% in the Deloitte Access Economics June Quarter 2019 economic brief available on the Department of Treasury and Finance's website. The application of this macroeconomic factor has been applied on the assumption that for every percentage decrease in labour market employment there is a corresponding increase in the trade receivables default rate.

In accordance with the provisions of the *Financial Management Act 1995*, receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery includes a failure to make contractual payments for a period greater than 90 days past due.

Credit risk for the comparative year is assessed under AASB 139 and is based on objective evidence of impairment.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 10. RECEIVABLES (CONT.)

The loss allowance for receivables as at the reporting date is disclosed below.

Internal receivables	2019			2018			
	Gross receivables	Loss rate	Expected credit losses	Net receivables	Aging of receivables	Impairment allowance	Net receivables
	\$'000	%	\$'000	\$'000	\$'000	\$'000	\$'000
Not overdue	1,583	-	-	1,583	3,681	-	3,681
Overdue for less than 30 days	-	-	-	-	-	-	-
Overdue for 30 to 60 days	-	-	-	-	-	-	-
Overdue for more than 60 days	-	-	-	-	-	-	-
<b>TOTAL INTERNAL RECEIVABLES</b>	<b>1,583</b>	<b>-</b>	<b>-</b>	<b>1,583</b>	<b>3,681</b>	<b>-</b>	<b>3,681</b>
<b>External receivables</b>							
Not overdue	1,203	-	-	1,203	1,160	(2)	1,158
Overdue for less than 30 days	711	39.5	(281)	430	-	-	-
Overdue for 30 to 60 days	122	65.2	(80)	42	63	(3)	60
Overdue for more than 60 days	1,926	68.3	(1,314)	612	1,815	(1,460)	355
<b>TOTAL EXTERNAL RECEIVABLES</b>	<b>3,962</b>		<b>(1,675)</b>	<b>2,287</b>	<b>3,038</b>	<b>(1,465)</b>	<b>1,573</b>

Total amounts disclosed exclude statutory amounts.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 10. RECEIVABLES (CONT.)

### RECONCILIATION OF LOSS ALLOWANCE FOR RECEIVABLES

	2019	2018
	\$'000	\$'000
<b>Internal receivables</b>		
Opening balance	-	-
Adjustment on adoption of AASB 9	-	-
Adjusted opening balance	-	-
Written off during the year	-	-
Recovered during the year	-	-
Increase/decrease in allowance recognised in profit or loss	-	-
<b>TOTAL INTERNAL RECEIVABLES</b>	<b>-</b>	<b>-</b>
<b>External receivables</b>		
Opening balance	(1,465)	(177)
Adjustment on adoption of AASB 9	-	-
Adjusted opening balance	(1,465)	(177)
Written off during the year	2	14
Recovered during the year	-	-
Decrease in allowance recognised in profit or loss	(212)	(1,302)
<b>TOTAL EXTERNAL RECEIVABLES</b>	<b>(1,675)</b>	<b>(1,465)</b>

### Prepayments

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

## 11. ASSETS HELD FOR SALE

Land <sup>(1)</sup>	3,737	38,722
Buildings <sup>(2)</sup>	-	-
<b>TOTAL ASSETS HELD FOR SALE</b>	<b>3,737</b>	<b>38,722</b>

<sup>1</sup> Land held for sale consists of those assets which it has been determined are available for sale in their present condition, and their sale is highly probable within the next twelve months.

<sup>2</sup> Demountable buildings held for sale at \$1.

### Assets Held for Sale

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction or a grant agreement rather than continuing use. Assets held for sale consist of those assets that management has determined are available for immediate sale or granting in their present condition and their sale is highly probable within one year from the date of classification.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated. Non-current assets held for sale have been recognised on the face of the financial statements as current assets.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 12. ADVANCES

	2019	2018
	\$'000	\$'000
<b>Non-Current</b>		
Advances receivable	937	986
Less: Loss Allowance	-	-
<b>TOTAL ADVANCES</b>	<b>937</b>	<b>986</b>

During 2012-13, the agency provided a loan to the Master Builders Association (NT) towards the Fidelity Fund Scheme for Residential Building Cover which replaced the Home Building Certification Fund (HBCF). On 31 December 2012 the HBCF ceased issuing new policies and was replaced by the Residential Building Cover package.

Advances are recognised initially at fair value plus or minus relevant transaction costs and are recognised in the balance sheet when the agency becomes party to the contractual provisions of the financial instruments. Where the advances are provided with interest free periods or at concessional interest rates, they are considered to have a fair value which is less than the amount lent. This fair value is calculated in accordance with Note 22.

The difference between the amount lent and the fair value is recognised as an expense in the comprehensive income statement.

Subsequently, advances are measured at amortised cost using an average interest rate of 5.32%.

Loss allowances on advances reflect either 12-month or lifetime expected credit losses depending on changes in credit risk and represents the amount of advances paid the agency estimates are likely to be uncollectible and are considered doubtful.

No loss allowance has been recognised for the agency as all advances are expected to be collected in full.

### Credit Risk Exposure of Advances

Advances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. The agency applies the AASB 9 general approach to measuring expected credit losses. This approach recognises a loss allowance based on 12-month expected credit losses if there has been no significant increase in credit risk since initial recognition and lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

Credit risk for the comparative year is assessed under AASB 139 and is based on objective evidence of impairment.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 13. PROPERTY, PLANT AND EQUIPMENT

	2019	2018
	\$'000	\$'000
<b>Land</b>		
At fair value	908,566	948,443
<b>Buildings</b>		
At fair value	241,737	175,692
Less: Accumulated depreciation	(145,752)	(124,884)
	<b>95,986</b>	<b>50,808</b>
<b>Infrastructure</b>		
At fair value	8,430,357	8,056,520
Less: Accumulated depreciation	(3,336,187)	(3,189,471)
	<b>5,094,170</b>	<b>4,867,049</b>
<b>Construction (Work in Progress)</b>		
At capitalised cost	834,253	858,213
<b>Plant and Equipment</b>		
At fair value	16,336	14,445
Less: Accumulated depreciation	(9,731)	(8,703)
	<b>6,605</b>	<b>5,742</b>
<b>Computer Software</b>		
At capitalised cost	5,381	5,280
Less: Accumulated depreciation	(4,171)	(3,845)
	<b>1,210</b>	<b>1,435</b>
<b>Computer Hardware</b>		
At capitalised cost	1,523	1,525
Less: Accumulated depreciation	(1,471)	(1,450)
	<b>52</b>	<b>75</b>
<b>Transport Equipment</b>		
At capitalised cost	116	116
Less: Accumulated depreciation	(101)	(100)
	<b>15</b>	<b>16</b>
<b>Land Under Finance Lease</b>		
At capitalised cost	434	401
Less: Accumulated depreciation	(73)	(62)
	<b>361</b>	<b>339</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>6,941,218</b>	<b>6,732,120</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### 2019 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2018-19 is set out below:

	Land	Buildings	Infrastructure	Construction (Work in Progress)	Plant and Equipment	Computer Software	Computer Hardware	Transport Equipment	Land Under Finance Lease	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2018</b>	948,443	50,808	4,867,049	858,213	5,742	1,435	75	16	339	6,732,120
Additions	3,332	248	-	545,769	304	101	-	-	33	549,787
Disposals	(31,038)	-	-	-	-	-	-	-	-	(31,038)
Depreciation	-	(6,934)	(69,469)	-	(1,028)	(326)	(23)	(1)	(11)	(77,792)
Additions/(Disposals) from asset transfers	15,672	51,864	196,671	(569,729)	1,587	-	-	-	-	(303,935)
Revaluation increments/ (decrements)	(62,828)	-	99,919	-	-	-	-	-	-	37,091
Impairment loss	-	-	-	-	-	-	-	-	-	-
Transfer to/from assets held for sale	34,985	-	-	-	-	-	-	-	-	34,985
<b>CARRYING AMOUNT AS AT 30 JUNE 2019</b>	<b>908,566</b>	<b>95,986</b>	<b>5,094,170</b>	<b>834,253</b>	<b>6,605</b>	<b>1,210</b>	<b>52</b>	<b>15</b>	<b>361</b>	<b>6,941,218</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT.)

### 2018 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2017-18 is set out below:

	Land	Buildings	Infrastructure	Construction (Work in Progress)	Plant and Equipment	Computer Software	Computer Hardware	Transport Equipment	Land Under Finance Lease	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying Amount as at 1 July 2017</b>	<b>880,200</b>	<b>50,815</b>	<b>4,769,758</b>	<b>778,723</b>	<b>7,261</b>	<b>935</b>	<b>56</b>	<b>33</b>	<b>349</b>	<b>6,488,130</b>
Additions	5,619	-	-	454,434	171	448	37	-	-	460,709
Disposals	(13,431)	-	-	-	-	-	-	-	-	(13,431)
Depreciation	-	(4,023)	(62,157)	-	(833)	(303)	(18)	(17)	(10)	(67,361)
Additions/(Disposals) from asset transfers	(12,207)	4,016	153,830	(374,944)	(322)	355	-	-	-	(229,272)
Revaluation increments/ (decrements)	110,152	-	5,618	-	-	-	-	-	-	115,770
Impairment loss	-	-	-	-	(535)	-	-	-	-	(535)
Transfer to/from assets held for sale	(21,890)	-	-	-	-	-	-	-	-	(21,890)
<b>CARRYING AMOUNT AS AT 30 JUNE 2018</b>	<b>948,443</b>	<b>50,808</b>	<b>4,867,049</b>	<b>858,213</b>	<b>5,742</b>	<b>1,435</b>	<b>75</b>	<b>16</b>	<b>339</b>	<b>6,732,120</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 13. PROPERTY, PLANT AND EQUIPMENT (CONT.)

### Acquisitions

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

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

### Complex Assets

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

### Subsequent Additional Costs

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

### Construction (Work in Progress)

As part of the financial management framework, the department is responsible for managing general Government capital works projects on a whole of Government basis. Therefore appropriation for all capital works is provided directly to the agency and the cost of construction work in progress is recognised as an asset of the agency. Once completed, capital works assets are transferred to the relevant Northern Territory Government agency. On transfer the capital works are either capitalised to the agency's Fixed Asset Register to the extent they meet capitalisation criteria, expensed, or where undertaken for other parties such as Local Government or Councils are gifted as capital grants (for example, Commonwealth funded Black Spot works on council roads).

### Land Under Roads

Land under roads is land roadways and road reserves including land under footpaths, nature strips and median strips. The department has elected to recognise all land under roads in accordance with AASB 116 where all the asset recognition criteria have been met.

### Revaluations and Impairment

#### Revaluation of Assets

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

- land;
- buildings;
- infrastructure assets;
- heritage and cultural assets;

Land is generally revalued to Unimproved Capital Value (UCV). Utilising a three year rolling revaluation plan, most land is revalued annually to UCV which is deemed to equate to fair value.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms-length transaction.

The fair value of the agency's infrastructure assets is based on their current replacement cost.

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

The unique nature of some of the heritage and cultural assets may preclude reliable measurement. Such assets have not been recognised in the financial statements.

Refer to Note 22: Fair Value Measurement for additional disclosures.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 13. PROPERTY, PLANT AND EQUIPMENT (CONT.)

### Impairment of Assets

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

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

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

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable

amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 21 provides additional information in relation to the asset revaluation surplus.

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2019. No impairment adjustments were required as a result of this review.

### Depreciation and Amortisation Expense

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

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

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions as outlined below except for transport related infrastructure assets where the NT Department of Treasury and Finance have approved the use of non-prescribed useful lives where relevant:

	2019	2018
Buildings	20 - 50 years	20 - 50 years
Infrastructure		
Bridges	70 years	70 years
Sealed pavement	40 years	40 years
Unsealed pavement	8 years	8 years
Road formation	Infinite - not depreciated	Infinite - not depreciated
Street lights and traffic control systems	15 - 20 years	15 - 20 years
Transport assets	5 - 50 years	5 - 50 years
Plant and Equipment <sup>(1)</sup>	2 - 15 years	2 - 15 years
Leased Plant and Equipment	Lease term	Lease term
Aboriginal Land Under Finance Lease	40 years	40 years
Heritage and Cultural Assets	100 years	100 years

(1) Includes computer software, computer hardware and transport equipment.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 14. HERITAGE AND CULTURAL ASSETS

	2019	2018
	\$'000	\$'000
<b>Carrying amount</b>		
At fair value	362	320
Less: Accumulated depreciation	(53)	(49)
Written down value - 30 June	309	271
<b>Reconciliation of movements</b>		
Carrying amount as at 1 July	271	274
Additions	42	-
Depreciation	(4)	(3)
<b>Carrying amount as at 30 June</b>	<b>309</b>	<b>271</b>

### Heritage and Cultural Assets Valuation

Refer to Note 22: Fair Value measurement for additional disclosures.

The fair value of these assets was determined based on any restrictions on asset use. Where reliable market values were not available, the fair value of agency assets was based on their current replacement cost.

### Impairment of Heritage and Cultural assets

Agency heritage and cultural assets were assessed for impairment as at 30 June 2019. No impairment adjustments were required as a result of this review.

### Leased Assets

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

### Finance Leases

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

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

### Operating Leases

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 15. OTHER ASSETS

### Leases As A Lessor

The agency has a 99 year lease arrangement for the Port of Darwin. External advice sought on the classification and accounting for the lease arrangement determined that the lease was a finance lease in accordance with AASB 117. As a result the agency de-recognised the Port land and infrastructure and recognised the net investment in the leased assets as a finance lease receivable. The net investment represents the agency's gross investment in the lease discounted at the implicit interest rate. Finance lease income will be recognised periodically.

The Territory (through the former Department of Lands, Planning and Environment) entered into a

99-year lease agreement with Landbridge Group to lease land assets and interest in the Port of Darwin.

A lease premium amounting to \$391 million was received in advance. The lease also provides for the receipt of incremental contingent rentals where a revenue-based threshold is exceeded. No contingent rental was received during the year.

Under the terms of the lease, the leased assets will revert to the Territory at the end of 99 years. The Port lessee has the majority of the risks and rewards associated with ownership of the leased assets. Therefore the assets have been derecognised and a finance lease receivable recognised representing a residual interest in the leased assets.

	2019	2018
	\$'000	\$'000
<b>Finance lease receivable</b>	<b>19,907</b>	<b>18,603</b>
<i>Future minimum lease receipts under the finance lease are receivable for each of the of the following periods:</i>		
Not later than one year	1,394	1,303
Between one and five years	6,625	6,190
Later than five years	13,195,297	13,197,127
Gross investment in the lease	13,223,223	13,223,223
Less: Unearned finance income	(13,203,316)	(13,204,620)
<b>NET INVESTMENT IN THE LEASE</b>	<b>19,907</b>	<b>18,603</b>

As the lease premium has been prepaid, the balance of the finance lease receivable represents the unguaranteed residual for the Port of Darwin land related assets accruing to the benefit of the Territory. As of 30 June 2019, no impairment losses have been recorded on the finance lease receivables.

On 30 June 2017, the Territory Government agreed to retain the 20 per cent equity interest in the Port of Darwin. Under the revised terms of the shareholding, the Territory does not have any right to participate in the distributions of capital or income of the Port of Darwin group trusts.

Although the 20 per cent equity interest does not satisfy criteria for consolidation or recognition as a joint venture or associate, it is considered a financial asset.

This financial asset has been initially measured at fair value based on expected cashflows and for 2018–19 the value is negligible. The financial asset may be subsequently re-measured for any changes in fair value in future reporting periods.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 16. DEPOSITS HELD

	2019	2018
	\$'000	\$'000
Recoverable works	30,062	11,493
Accountable officers trust account	730	1,654
Land sales deposits	1,942	2,634
Other deposits held	1,680	2,868
<b>TOTAL DEPOSITS HELD</b>	<b>34,414</b>	<b>18,649</b>

Deposits held includes the Accountable Officers Trust Account (AOTA), clearing monies and non-Government works, which consist of financial obligations payable within the next twelve months. The AOTA is for the receipt of monies to be held in trust in accordance with Section 7 of the *Financial Management Act 1995*. Clearing monies are public monies held in transit. Non-Government works are transactions relating to a recoverable works project which will not become a Northern Territory Government asset upon completion. Refer also to Note 27.

## 17. PAYABLES

Accounts payable	279	484
Accrued expenses	10,350	12,671
Accrued expenses – works in progress	3,527	3,375
<b>TOTAL PAYABLES</b>	<b>14,156</b>	<b>16,530</b>

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

## 18. BORROWINGS AND ADVANCES

<b>Current</b>		
Finance leases on Aboriginal land	5	5
	<b>5</b>	<b>5</b>
<b>Non-Current</b>		
Finance lease on Aboriginal land	380	354
	<b>380</b>	<b>354</b>
<b>TOTAL BORROWINGS AND ADVANCES</b>	<b>385</b>	<b>359</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 19. PROVISIONS

	2019	2018
	\$'000	\$'000
<b>Current</b>		
<i>Employee benefits</i>		
Recreation leave	9,363	9,392
Leave loading	1,387	1,361
Other employee benefits	61	171
<i>Other current provisions</i>		
Other provisions	1,583	1,570
<b>TOTAL PROVISIONS</b>	<b>12,394</b>	<b>12,494</b>

The agency employed 739 full time employees as at 30 June 2019 (740 full time employees as at 30 June 2018).

### Employee Benefits

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

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

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

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

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of Government agencies, including the Department of Infrastructure, Planning and Logistics and as such no long service leave liability is recognised in the agency's financial statements.

### Superannuation

Employees' superannuation entitlements are provided through the:

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 20. COMMITMENTS

Disclosures in relation to capital and other commitments, including lease commitments. Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

	2019		2018	
	Internal <sup>(a)</sup>	External	Internal <sup>(a)</sup>	External
	\$'000	\$'000	\$'000	\$'000

### (i) Capital Expenditure Commitments

Capital expenditure commitments primarily related to the construction of buildings, infrastructure and road networks. Capital expenditure commitments contracted for at balance date but not recognised as liabilities are payable as follows:

Within one year	-	142,491	-	278,328
Later than one year and not later than five years	-	22,977	-	41,485
Later than five years	-	-	-	-
	-	165,468	-	319,813

### (ii) Operating Lease Commitments

The agency leases property under non-cancellable operating leases expiring from 1 to 5 years. Leases generally provide the agency with a right of renewal at which time all lease terms are renegotiated. The agency also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:

Within one year	1,317	-	1,401	-
Later than one year and not later than five years	1,858	-	1,596	-
Later than five years	-	-	-	-
	3,175	-	2,997	-

### (iii) Other Expenditure Commitments

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

Within one year	-	26,173	-	41,752
Later than one year and not later than five years	-	11,859	-	11,948
Later than five years	-	-	-	-
	-	38,032	-	53,700

*(a) Internal commitments are to entities controlled by the Northern Territory Government whereas external commitments are to third parties external to the Northern Territory Government.*

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 21. RESERVES

### ASSET REVALUATION SURPLUS

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

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

	Land		Buildings		Infrastructure		Other		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(ii) <i>Movements in the asset revaluation surplus</i>										
<b>Balance as at 1 July</b>	<b>858,663</b>	<b>773,989</b>	<b>23,423</b>	<b>23,283</b>	<b>3,083,920</b>	<b>3,078,442</b>	<b>16,249</b>	<b>16,249</b>	<b>3,982,255</b>	<b>3,891,963</b>
Changes in accounting policies	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-
Increment/decrement	(52,011)	103,343	-	140	99,919	5,479	-	-	47,908	108,962
Impairment (losses)/reversals	-	-	-	-	-	-	-	-	-	-
Transfers to accumulated funds	(31,963)	(18,670)	-	-	-	-	-	-	(31,963)	(18,670)
<b>Balance as at 30 June</b>	<b>774,689</b>	<b>858,662</b>	<b>23,423</b>	<b>23,423</b>	<b>3,183,839</b>	<b>3,083,921</b>	<b>16,249</b>	<b>16,249</b>	<b>3,998,200</b>	<b>3,982,255</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 22. FAIR VALUE MEASUREMENT

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

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

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

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

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

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are

relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

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

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

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

Level 3 – inputs are unobservable

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

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



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 22. FAIR VALUE MEASUREMENT (CONT.)

### a Fair Value Hierarchy

The table below presents non-financial assets recognised at fair value in the Balance Sheet categorised by levels of inputs used to compute fair value.

	Level 1		Level 2		Level 3		Total Fair Value	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>								
Land (Note 13)	-	-	908,566	948,443	-	-	908,566	948,443
Buildings (Note 13)	-	-	-	-	95,986	50,808	95,986	50,808
Infrastructure (Note 13)	-	-	-	-	5,094,170	4,867,049	5,094,170	4,867,049
Plant and Equipment (Note 13)	-	-	-	-	7,882	7,268	7,882	7,268
Heritage and Cultural Assets (Note 14)	-	-	-	-	309	271	309	271
Assets Held for Sale (Note 11)	-	-	3,737	38,722	-	-	3,737	38,722
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>912,303</b>	<b>987,165</b>	<b>5,198,347</b>	<b>4,925,396</b>	<b>6,110,650</b>	<b>5,912,561</b>

There were no transfers between Level 1 and Levels 2 or 3 during 2018-19.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 22. FAIR VALUE MEASUREMENT (CONT.)

### b) Valuation Techniques and Inputs

Valuation techniques used to measure fair value in 2018-19 are:

	Level 2 Techniques	Level 3 Techniques
<b>Asset Classes</b>		
Land	Market	-
Buildings	-	Cost
Infrastructure	-	Cost
Plant and Equipment	-	Cost
Heritage and Cultural Assets	-	Cost
Assets Held for Sale	Market	-

Level 2 fair values of land were based on market evidence of sales price per square metre of comparable land.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environment conditions, projected usage, and records of the current condition of the facilities.

Other infrastructure assets identified as minor road assets being truck parking bays, roadside rest areas, cycle paths and road traffic information technology equipment were revalued as at 30 June 2019. Aquenta Consulting Pty Ltd, civil construction cost estimation service professionals, provided unit rates representative of NT current industry standard market rates for this revaluation.

Buildings and Heritage and Cultural assets have been valued on a current replacement cost basis. Plant and Equipment, Computer Software and Hardware are based on depreciated cost, and assessed for impairment on an annual basis.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 22. FAIR VALUE MEASUREMENT (CONT.)

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

#### i) Reconciliation of Recurring Level 3 Fair Value Measurements of Non-Financial Assets

	Buildings	Infrastructure	Plant and Equipment	Heritage and Cultural	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2018-19</b>					
Fair value as at 1 July 2018	50,808	4,867,049	7,268	271	4,925,396
Additions	52,112	196,761	1,992	42	250,907
Disposals	-	-	-	-	-
Transfers from Level 2	-	-	-	-	-
Transfers to Level 2	-	-	-	-	-
Depreciation	(6,934)	(69,469)	(1,378)	(4)	(77,785)
Gains/losses recognised in net surplus/deficit	-	(90)	-	-	(90)
Gains/losses recognised in other comprehensive income	-	99,919	-	-	99,919
<b>FAIR VALUE AS AT 30 JUNE 2019</b>	<b>95,986</b>	<b>5,094,170</b>	<b>7,882</b>	<b>309</b>	<b>5,198,347</b>

	Buildings	Infrastructure	Plant and Equipment	Heritage and Cultural	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2017-18</b>					
Fair value as at 1 July 2017	50,815	4,769,758	8,285	274	4,829,132
Additions	4,016	153,830	689	-	158,535
Disposals	-	-	-	-	-
Transfers from Level 2	-	-	-	-	-
Transfers to Level 2	-	-	-	-	-
Depreciation	(4,023)	(62,157)	(1,171)	(3)	(67,354)
Gains/losses recognised in net surplus/deficit	-	-	(535)	-	(535)
Gains/losses recognised in other comprehensive income	-	5,618	-	-	5,618
<b>FAIR VALUE AS AT 30 JUNE 2018</b>	<b>50,808</b>	<b>4,867,049</b>	<b>7,268</b>	<b>271</b>	<b>4,925,396</b>

#### (ii) Sensitivity analysis

Given the large number of agency assets, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost would generally result in a higher fair value and greater consumption of economic benefit lowers fair value.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 23. FINANCIAL INSTRUMENTS

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

Financial assets and liabilities are recognised on the Balance Sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits, receivables, advances receivable, payables, deposits held and finance leases.

Due to the nature of operating activities, certain financial assets and financial liabilities arise under statutory obligations rather than a contract. Such financial assets and liabilities do not meet the definition of financial instruments as per AASB 132 Financial Instruments Presentation. These include statutory receivables arising from taxes including GST and penalties.

The Department of Infrastructure, Planning and Logistics has limited exposure to financial risks as discussed below.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The Northern Territory Government's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation (NTTC) adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

### a) Categorisation of Financial Instruments

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

#### 2018-19 CATEGORISATION OF FINANCIAL INSTRUMENTS

	Fair value through profit or loss			Fair value through other comprehensive income	Total
	Mandatorily at fair value	Designated at fair value	Amortised cost		
	\$'000	\$'000	\$'000		
Cash and deposits	-	-	96,373	-	96,373
Receivables <sup>1</sup>	-	-	3,870	-	3,870
Advances receivable	-	-	937	-	937
Other assets -finance lease	-	-	19,907	-	19,907
<b>TOTAL FINANCIAL ASSETS</b>	-	-	<b>121,087</b>	-	<b>121,087</b>
Deposits held <sup>1</sup>	-	-	3,622	-	3,622
Payables <sup>1</sup>	-	-	14,156	-	14,156
Finance lease liabilities	-	-	385	-	385
<b>TOTAL FINANCIAL LIABILITIES</b>	-	-	<b>18,163</b>	-	<b>18,163</b>

<sup>1</sup> Total amounts disclosed exclude statutory amounts.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 23. FINANCIAL INSTRUMENTS (CONT.)

### 2017-2018 CATEGORISATION OF FINANCIAL INSTRUMENTS

	Fair value through profit and loss - Designated at fair value	Financial assets - Loans and receivables	Financial Liabilities - amortised cost	Total
	\$'000	\$'000	\$'000	\$'000
Cash and deposits	-	175,742	-	175,742
Receivables <sup>1</sup>	-	5,254	-	5,254
Advances receivable	-	986	-	986
Other assets -finance lease	-	18,603	-	18,603
<b>TOTAL FINANCIAL ASSETS</b>	<b>-</b>	<b>200,585</b>	<b>-</b>	<b>200,585</b>
Deposits held <sup>1</sup>	5,503	-	-	5,503
Payables <sup>1</sup>	16,530	-	-	16,530
Finance lease liabilities	-	-	359	359
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>22,033</b>	<b>-</b>	<b>359</b>	<b>22,392</b>

<sup>1</sup> Total amounts disclosed exclude statutory amounts.

### Classification of Financial Instruments From 1 July 2018

From 1 July 2018, the agency classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and
- those to be measure at amortised cost.

The classification depends on the agency's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, the agency has made an irrevocable election at the time of initial recognition

to account for the equity investment at fair value through other comprehensive income (FVOCI).

The agency reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition, the agency measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 23. FINANCIAL INSTRUMENTS (CONT.)

### DEBT INSTRUMENTS

Subsequent measurement of debt instruments depends on the agency's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the agency classifies its debt instruments:

- *Amortised cost*: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is calculated using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses).
- *FVOCI*: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest income which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is calculated using the effective interest rate method.
- *FVTPL*: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

### FINANCIAL LIABILITIES

Financial liabilities are classified into the following categories either at FVTPL or at amortised cost. The classification and measurement of financial liabilities under AASB 9 is substantially the same as in AASB 139, except where an entity designates financial liabilities at FVTPL. For such liabilities, the fair value changes of liabilities designated at FVTPL are presented as follows:

- the fair value changes attributable to changes in the liability's credit risk are recognised in OCI; and
- the remaining changes in the fair value are recognised in profit or loss.

### Classification of Financial Instruments Until 30 June 2018

The agency has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with AASB 139.

Financial assets are classified into the following categories:

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

Financial liabilities are classified into the following categories:

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

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

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL. Financial instruments classified as at FVTPL are initially and subsequently measured at fair value. Gains or losses on these assets are recognised in the net result for the year.

### Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those held for trading and available for sale. Loans and receivables exclude statutory receivables. Loans and receivables are measured initially at fair value and subsequently at amortised cost using the effective interest rate method less impairment.

### Financial Liabilities at Amortised Cost

Financial instrument liabilities measured at amortised cost include all advances received, finance lease liabilities and borrowings. Amortised cost is calculated using the effective interest method.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 23. FINANCIAL INSTRUMENTS (CONT.)

### b) Credit Risk

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

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

Credit risk relating to receivables is disclosed in note 10 and advances receivable in note 12.

### c) Liquidity Risk

Liquidity risk is the risk that the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure that it will always have sufficient funds to meet its liabilities when they fall due. This is achieved by ensuring that minimum levels of cash are held in the agency bank account to meet various current employee and supplier liabilities. The agency's exposure to liquidity risk is minimal. Cash injections are available from the Central Holding Authority in the event that one-off extraordinary expenditure items arise that deplete cash to levels that compromise the agency's ability to meet its financial obligations.

The following tables detail the agency's remaining contractual maturity for its financial liabilities, calculated based on undiscounted cash flows at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the balance sheet which are based on discounted cash flows.

#### 2019 MATURITY ANALYSIS FOR FINANCIAL LIABILITIES

	Carrying Amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Liabilities</b>					
Deposits Held	3,622	3,622	-	-	3,622
Payables	14,156	14,156	-	-	14,156
Advances	-	-	-	-	-
Loans	-	-	-	-	-
Finance lease liabilities	385	5	24	356	385
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>18,163</b>	<b>17,783</b>	<b>24</b>	<b>356</b>	<b>18,163</b>

#### 2018 MATURITY ANALYSIS FOR FINANCIAL LIABILITIES

	Carrying Amount	Less than a year	1 to 5 years	More than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Liabilities</b>					
Deposits Held	5,503	5,503	-	-	5,503
Payables	16,530	16,530	-	-	16,530
Advances	-	-	-	-	-
Loans	-	-	-	-	-
Finance lease liabilities	359	5	21	333	359
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>22,392</b>	<b>22,038</b>	<b>21</b>	<b>333</b>	<b>22,392</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 23. FINANCIAL INSTRUMENTS (CONT.)

### d) Market Risk

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

### e) Interest Rate Risk

The Department of Infrastructure, Planning and Logistics' exposure to interest rate risk by asset and liability classes is disclosed below.

#### 2019 INTEREST RATE RISK FOR FINANCIAL ASSETS AND LIABILITIES

	Interest bearing		Non-interest bearing	Total	Weighted average
	Variable	Fixed			
	\$000	\$000	\$000	\$000	%
<b>Assets</b>					
Cash and deposits	-	-	96,373	96,373	
Receivables	-	-	3,870	3,870	
Advances receivable	-	-	937	937	2.54%
Other assets – finance lease	-	19,907	-	19,907	7.00%
<b>TOTAL FINANCIAL ASSETS</b>	<b>-</b>	<b>19,907</b>	<b>101,180</b>	<b>121,087</b>	
<b>Liabilities</b>					
Deposits held	-	-	3,622	3,622	
Payables	-	-	14,156	14,156	
Finance lease liabilities	-	385	-	385	4.72%
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>-</b>	<b>385</b>	<b>17,778</b>	<b>18,163</b>	

#### 2018 INTEREST RATE RISK FOR FINANCIAL ASSETS AND LIABILITIES

	Interest bearing		Non-interest bearing	Total	Weighted average
	Variable	Fixed			
	\$000	\$000	\$000	\$000	%
<b>Assets</b>					
Cash and deposits	-	-	175,742	175,742	
Receivables	-	-	5,254	5,254	
Advances receivable	-	-	986	986	2.54%
Other assets – finance lease	-	18,603	-	18,603	7.00%
<b>TOTAL FINANCIAL ASSETS</b>	<b>-</b>	<b>18,603</b>	<b>181,982</b>	<b>200,585</b>	
<b>Liabilities</b>					
Deposits held	-	-	5,503	5,503	
Payables	-	-	16,530	16,530	4.72%
Finance lease liabilities	-	359	-	359	
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>-</b>	<b>359</b>	<b>22,033</b>	<b>22,392</b>	



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## Market Sensitivity Analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on the Department of Infrastructure, Planning and Logistics profit or loss and equity.

	Profit or Loss and Equity	
	100 basis points increase	100 basis points decrease
	\$'000	\$'000
<b>30 June 2019</b>		
Financial assets – receivable loans	9	(9)
<b>NET SENSITIVITY</b>	<b>9</b>	<b>(9)</b>
<b>30 June 2018</b>		
Financial assets – receivable loans	10	(10)
<b>NET SENSITIVITY</b>	<b>10</b>	<b>(10)</b>

### (ii) Price Risk

The Department of Infrastructure, Planning and Logistics is not exposed to price risk as the agency does not hold units in unit trusts.

### (iii) Currency Risk

The Department of Infrastructure, Planning and Logistics is not exposed to currency risk as the agency does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 24. RELATED PARTIES

### i) Related Parties

The Department of Infrastructure, Planning and Logistics is a Government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the department include:

- the Portfolio Minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the department directly; and
- close family members of the Portfolio Minister or KMP including spouses, children and dependants; and
- all public sector entities that are controlled and consolidated into the whole of Government financial statements; and
- any entities controlled or jointly controlled by KMP's or the Portfolio Minister or controlled or jointly controlled by their close family members.

### ii) Key Management Personnel (KMP)

Key management personnel of the Department of Infrastructure, Planning and Logistics are those persons having authority and responsibility for planning, directing and controlling the activities of the department. These include the Minister of Infrastructure, Planning and Logistics, the Chief Executive Officer and the 3 members of the executive team of the Department of Infrastructure, Planning and Logistics.

### iii) Remuneration of Key Management Personnel

The details below exclude the salaries and other benefits of the Minister of Infrastructure, Planning and Logistics as the Minister's remunerations and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements.

The aggregate compensation of key management personnel of the Department of Infrastructure, Planning and Logistics is set out below:

	2019	2018
	\$'000	\$'000
Short-term benefits	1,334	1,333
Post-term benefits	108	106
Termination benefits	-	-
<b>TOTAL</b>	<b>1,442</b>	<b>1,439</b>

### iv) Related party transactions:

#### Transactions with Northern Territory Government controlled entities

The department's primary ongoing source of funding is received from the Central Holding Authority in the form of output and capital appropriation and on-passed Commonwealth national partnership and specific purpose payments.

The following table provides quantitative information about related party transactions entered into during the year with all other Northern Territory Government controlled entities.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 24. RELATED PARTIES (CONT.)

### 2019 RELATED PARTY TRANSACTIONS

Related Party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$'000	\$'000	\$'000	\$'000
All NT Government departments	12,642	42,509	3,035	4,347
Associates	-	-	-	-
Subsidiaries	-	-	-	-

### 2018 RELATED PARTY TRANSACTIONS

Related Party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$'000	\$'000	\$'000	\$'000
All NT Government departments	13,068	34,588	3,634	2,658
Associates	-	-	-	-
Subsidiaries	-	-	-	-

Most of the department's transactions with other Government entities are not individually significant. Transactions which were significant with other Government entities are listed as follows:

- \$1.393 million grant payment to support the operations of the Darwin wharf precinct through the Darwin Waterfront Corporation,
- \$8.6 million grant payment to the Land Development Corporation to support capital construction projects for Kilgariff Stage 2 and Kittyhawk Estate Intersection,
- \$11.004 million in notional revenue and expenditure related services received free of charge from the Department of Corporate and Information Services.

#### Other Related Party Transactions Are As Follows:

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory Public Sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed.

There are no other related party transactions to disclose.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 25. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### a) Contingent Liabilities

The Department of Infrastructure, Planning and Logistics has entered into agreements which contain indemnity clauses. The contingent liabilities arising from the indemnities are unquantifiable, but expected to be immaterial. However, for all the events that would give rise to the liabilities the agency has comprehensive risk management procedures in place. Legal proceedings or disputes in which the agency is a party are not separately disclosed. Due to the wide variety and nature of individual cases, and the uncertainty of any potential liability means that no value can be attributed to individual cases until such time as the courts make a decision so as to not prejudice the outcome of the proceeding or dispute.

### b) Contingent Assets

The Department of Infrastructure, Planning and Logistics had no contingent assets as at 30 June 2019 or 30 June 2018. Legal proceedings or disputes in which the agency is a party are not separately disclosed which may give rise to a contingent asset. Due to the wide variety and nature of individual cases, and the uncertainty of any potential asset means that no value can be attributed to individual cases until such time as the courts make a decision so as to not prejudice the outcome of the proceeding or dispute.

## 26. EVENTS SUBSEQUENT TO BALANCE DATE

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

## 27. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the *Financial Management Act 1995*, an Accountable Officer's Trust Account has been established for the receipt of money to be held in trust. A summary of activity is shown below:

Nature of Trust Money	Opening Balance	Receipts	Payments	Closing Balance
	1 July 2018			30 June 2019
	\$'000	\$'000	\$'000	\$'000
Retention/Security deposits	1,021	4	(985)	40
Bank guarantees	633	126	(69)	690
<b>TOTAL</b>	<b>1,654</b>	<b>130</b>	<b>(1,054)</b>	<b>730</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 28. SCHEDULE OF ADMINISTERED TERRITORY ITEMS

The following Territory items are managed by the Department of Infrastructure, Planning and Logistics on behalf of the Government and are recorded in the Central Holding Authority (refer Note 2(d)).

	2019	2018
	\$'000	\$'000
<b>TERRITORY INCOME AND EXPENSES</b>		
<b>Income</b>		
Taxation revenue	57,112	55,137
Grants and subsidies revenue		
Capital	10,794	8,039
Fees from regulatory services	4,066	5,997
Royalties and rents	3,762	3,048
Other income	3,153	3,229
<b>TOTAL INCOME</b>	<b>78,887</b>	<b>75,450</b>
<b>Expenses</b>		
Central Holding Authority income transferred	78,887	75,450
<b>TOTAL EXPENSES</b>	<b>78,887</b>	<b>75,450</b>
<b>TERRITORY INCOME LESS EXPENSES</b>	<b>-</b>	<b>-</b>
<b>TERRITORY ASSETS AND LIABILITIES</b>		
<b>Assets</b>		
Accounts Receivable	3	-
Other receivables	454	639
<b>TOTAL ASSETS</b>	<b>457</b>	<b>639</b>
<b>Liabilities</b>		
Central Holding Authority income payable	41	185
Unearned Central Holding Authority income	416	454
<b>TOTAL LIABILITIES</b>	<b>457</b>	<b>639</b>
<b>NET ASSETS</b>	<b>-</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 29. BUDGETARY INFORMATION

	2018-19	2018-19		
	Actual	Original		
Comprehensive Operating Statement		Budget	Variance	Note
	\$'000	\$'000	\$'000	
<b>INCOME</b>				
Grants and subsidies revenue				
Current	605	-	605	1
Appropriation				
Output	251,357	237,023	14,334	2
Commonwealth	20,059	17,292	2,767	3
Sales of goods and services	18,342	17,951	391	
Interest revenue	-	-	-	
Goods and services received free of charge	11,004	12,578	(1,574)	4
Other income	100,456	513	99,943	5
<b>TOTAL INCOME</b>	<b>401,823</b>	<b>285,357</b>	<b>116,466</b>	
<b>EXPENSES</b>				
Employee expenses	89,921	86,550	3,371	6
Administrative expenses				
Purchases of goods and services	89,226	82,428	6,798	7
Repairs and maintenance	109,468	81,220	28,248	8
Loss on disposal of assets	26,716	-	26,716	9
Depreciation and amortisation	77,796	72,755	5,041	10
Other administrative expenses	1,292	-	1,292	11
Grants and subsidies expenses				
Current	6,219	7,736	(1,517)	12
Capital	62,892	15,049	47,843	13
Goods and services received free of charge	11,004	12,578	(1,574)	14
Interest expenses	24	-	24	
<b>TOTAL EXPENSES</b>	<b>474,558</b>	<b>358,316</b>	<b>116,242</b>	
<b>NET DEFICIT</b>	<b>(72,735)</b>	<b>(72,959)</b>	<b>224</b>	
<b>OTHER COMPREHENSIVE INCOME</b>				
<i>Items that will not be reclassified to net deficit</i>				
Changes in asset revaluation surplus	15,945	-	15,945	
Transfers from reserves	31,963	-	31,963	
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>	<b>47,908</b>	<b>-</b>	<b>47,908</b>	
<b>COMPREHENSIVE RESULT</b>	<b>(24,827)</b>	<b>(72,959)</b>	<b>48,132</b>	

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 29. BUDGETARY INFORMATION (CONT.)

### Comprehensive Operating Statement Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

1. Additional funding received from the Commonwealth for the Regional Aviation Access Program.
2. Additional appropriation received for a number of capital grant payments, repairs and maintenance funding for disaster maintenance, additional resourcing to support the remote housing delivery and Frances Bay Mooring Basin administrative and operational costs. These increases were offset by the decrease in funds for undergrounding of power in Darwin which will be provided directly to Power and Water Corporation.
3. Additional funding received from the Commonwealth for the Black Spot Program and administrative support to deliver the Commonwealth roads capital works program.
4. Good and Services received free of charge are resources received by the Department of Corporate and Information Services without charge. This does not impact the operating result as notional revenue is fully offset by notional expenditure.
5. Mainly due to the recognition of the gain in recognition of the Howard Springs Accommodation Village assets.
6. Additional personnel expenditure is mainly due to additional resourcing to support remote housing delivery and administrative support to deliver the Commonwealth roads capital works program and in line with the revised budget.
7. Purchase of goods and services and property management expenses are budgeted together as a one line item. The additional expenditure is mainly due to payments for bus contracts, costs associated for the evacuation and in turn repatriation of residents impacted by cyclone Trevor and operational costs associated to support the remote housing delivery and Frances Bay Mooring Basin. Most of these items were appropriated in the revised budget.
8. Additional repairs and maintenance expenditure mainly due to carryover of stimulus repairs and maintenance funding from 2017-18, expenditure associated with disaster maintenance and expenditure due to the accounting treatment of non-cash expenditure associated with capital works projects which do not meet the capitalisation criteria. Most of these items were appropriated in the revised budget.
9. Loss on disposal of assets is mainly due to loss from the sale of land which is unbudgeted.
10. Depreciation expense is mainly in line with revised budget.
11. Other administrative expenses mainly resulting from a number of non-cash community land grants in line with the *Crown Lands Act 1992*.
12. Current grants are under budget mainly due to the timing of payments for the regional transport capacity support program and timing delays in some grant agreements with the Commonwealth which are subject to a carryover of funds request for 2019-20.
13. Capital grants are over budget due to a number of additional capital grant payments approved by Government.
14. Refer to Note 4.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 29. BUDGETARY INFORMATION (CONT.)

	2018-19 Actual	2018-19 Original Budget	Variance	Note
BALANCE SHEET	\$'000	\$'000	\$'000	
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and deposits	96,373	127,685	(31,312)	1
Receivables	13,560	14,748	(1,188)	2
Prepayments	467	1,154	(687)	3
Assets held for sale	3,737	-	3,737	
<b>Total Current Assets</b>	<b>114,137</b>	<b>143,587</b>	<b>(29,450)</b>	
<b>Non-Current Assets</b>				
Advances and investments	937	389	548	4
Property, plant and equipment	6,941,218	7,117,680	(176,462)	5
Heritage and cultural assets	309	-	309	
Other assets	19,907	17,387	2,520	6
<b>Total Non-Current Assets</b>	<b>6,962,371</b>	<b>7,135,456</b>	<b>(173,085)</b>	
<b>TOTAL ASSETS</b>	<b>7,076,508</b>	<b>7,279,043</b>	<b>(202,535)</b>	
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Deposits held	34,414	13,363	21,051	7
Payables	14,156	14,576	(420)	
Borrowings and advances	5	363	(358)	
Provisions	12,394	12,045	349	
Other Liabilities	30	-	30	
<b>Total Current Liabilities</b>	<b>60,999</b>	<b>40,347</b>	<b>20,652</b>	
<b>Non-Current Liabilities</b>				
Borrowings and advances	380	-	380	
<b>Total Non-Current Liabilities</b>	<b>380</b>	<b>-</b>	<b>380</b>	
<b>TOTAL LIABILITIES</b>	<b>61,379</b>	<b>40,347</b>	<b>21,032</b>	
<b>NET ASSETS</b>	<b>7,015,129</b>	<b>7,238,696</b>	<b>(223,567)</b>	
<b>EQUITY</b>				
Capital	4,132,034	4,511,083	(379,049)	8
Reserves	3,998,200	3,891,963	106,237	
Accumulated funds	(1,115,105)	(1,164,350)	49,245	
<b>TOTAL EQUITY</b>	<b>7,015,129</b>	<b>7,238,696</b>	<b>(223,567)</b>	



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 29. BUDGETARY INFORMATION (CONT.)

### Balance Sheet Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

1. Cash at bank budget reflects the opening balance of the 2017–18 financial year with budget movements factored in. This is a calculated field at each year end in the budget papers. It has decreased over the period mainly due to timing delays of funding from the Commonwealth due to milestone project agreement changes from the original budget and approved payments without additional appropriation.
2. Receivables is a calculated field where the original budget reflects the opening balance of the 2017–18 financial year and has since been updated for the 2018–19 operating result.
3. Prepayments mainly relate to the purchase of aerial photography film scanners and membership and subscriptions.
4. Advances and investments is a calculated field where the original budget reflects the opening balance of the 2017–18 financial year and has since been updated for the 2018–19 operating result.
5. Property, plant and equipment variance is due to the transfer of completed works projects to their host agencies and the budget reflecting the 2017–18 opening balance.
6. Recognition of the Darwin Port long term lease which will be adjusted in the budget once opening balances are reflected in the revised estimates.
7. Deposits held is a calculated field where the original budget reflects the opening balances of the 2017–18 financial year and has since been updated for the 2018–19 actual result.
8. Capital is a calculated field where the original budget reflects the opening balances of the 2017–18 financial year and reflects the impact of the transfer of completed capital works projects.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 29. BUDGETARY INFORMATION (CONT.)

	2018-19 Actual	2018-19 Original Budget	Variance	Note
	\$'000	\$'000	\$'000	
<b>CASH FLOW STATEMENT</b>				
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Operating Receipts</b>				
Grants and subsidies received				
Current	605	-	605	1
Appropriation				
Output	251,357	237,023	14,334	2
Commonwealth	20,059	17,292	2,767	3
Receipts from sales of goods and services	100,462	18,464	81,998	4
<b>TOTAL OPERATING RECEIPTS</b>	<b>372,483</b>	<b>272,779</b>	<b>99,704</b>	
<b>Operating Payments</b>				
Payments to employees	(90,008)	(86,550)	(3,458)	5
Payments for goods and services	(271,501)	(163,648)	(107,853)	6
Grants and subsidies paid				
Current	(6,219)	(7,736)	1,517	7
Capital	(62,892)	(15,049)	(47,843)	8
Interest paid	(24)	-	(24)	
<b>TOTAL OPERATING PAYMENTS</b>	<b>(430,644)</b>	<b>(272,983)</b>	<b>(157,661)</b>	
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>(58,161)</b>	<b>(204)</b>	<b>(57,957)</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Investing receipts</b>				
Proceeds from asset sales	4,305	8,837	(4,532)	9
<b>TOTAL INVESTING RECEIPTS</b>	<b>4,305</b>	<b>8,837</b>	<b>(4,532)</b>	
<b>Investing Payments</b>				
Purchases of assets	(549,643)	(539,572)	(10,071)	10
Advances and investing payments	49	-	49	
<b>TOTAL INVESTING PAYMENTS</b>	<b>(549,594)</b>	<b>(539,572)</b>	<b>(10,022)</b>	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(545,289)</b>	<b>(530,735)</b>	<b>(14,554)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Financing Receipts</b>				
Deposits received	15,765	-	15,765	
Equity injections				
Capital appropriation	361,729	274,415	87,314	11
Commonwealth appropriation	176,593	203,666	(27,073)	12
<b>TOTAL FINANCING RECEIPTS</b>	<b>554,087</b>	<b>478,081</b>	<b>76,006</b>	

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 29. BUDGETARY INFORMATION (CONT.)

	2018-19	2018-19		
	Actual	Original		
CASH FLOW STATEMENT (CONT.)		Budget	Variance	Note
	\$'000	\$'000	\$'000	
<b>Financing Payments</b>				
Finance lease payments	(6)	-	(6)	
Equity withdrawals	(30,000)	(5,809)	(24,191)	
<b>TOTAL FINANCING PAYMENTS</b>	<b>(30,006)</b>	<b>(5,809)</b>	<b>(24,197)</b>	
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>524,081</b>	<b>472,272</b>	<b>51,809</b>	
Net decrease in cash held	(79,369)	(58,667)	(20,702)	
Cash at beginning of financial year	175,742	186,352	(10,610)	
<b>CASH AT END OF FINANCIAL YEAR</b>	<b>96,373</b>	<b>127,685</b>	<b>(31,312)</b>	

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



## 29. BUDGETARY INFORMATION (CONT.)

### Cash Flow Statement Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

1. Additional funding received from the Commonwealth for the Regional Aviation Access Program.
2. Additional appropriation received for a number of capital grant payments, repairs and maintenance funding for disaster maintenance, additional resourcing to support the remote housing delivery and Frances Bay Mooring Basin administrative and operational costs. These increases were offset by the decrease in funds for undergrounding of power in Darwin which will be provided directly to Power and Water Corporation.
3. Additional funding received from the Commonwealth for the Black Spot Program and administrative support to deliver the Commonwealth roads capital works program.
4. Variance is mainly due to GST receipts which are unbudgeted.
5. Additional personnel expenditure is mainly due to additional resourcing to support remote housing delivery and administrative support to deliver the Commonwealth roads capital works program and in line with the revised budget.
6. Variance is mainly due to GST payments which are unbudgeted.
7. Current grants are under budget mainly due to the timing of payments for the regional transport capacity support program and timing delays in some grant agreements with the Commonwealth which are subject to a carryover of funds request for 2019-20.
8. Capital grants are over budget due to a number of additional capital grant payments approved by Government.
9. Asset sales are under budget due to current market forces.
10. Purchases of assets are over due to accelerated capital works program and is reflected in the revised budget.
11. The variance is mainly due to additional appropriation for the accelerated capital works program and is reflected in the revised budget.
12. The variance in Commonwealth capital appropriation is mainly in line with revised budget which reflects the changes to project milestones.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

## 30. BUDGETARY INFORMATION: ADMINISTERED TERRITORY ITEMS

In addition to the specific departmental operations which are included in the financial statements, the department administers or manages other activities and resources on behalf of the Territory such as royalties and rents on Crown Land and land related regulatory fees and charges as well as collection fees from regulatory services for registration and licensing associated with road users. The department does not gain control over assets arising from these collections, consequently no income is recognised in the department's financial statements. The transactions relating to these activities are reported as administered items in this note.

	2018-19	2018-19		
	Actual	Original		
ADMINISTERED TERRITORY ITEMS		Budget	Variance	Note
	\$'000	\$'000	\$'000	
<b>TERRITORY INCOME AND EXPENSES</b>				
<b>Income</b>				
Taxation revenue	57,112	56,240	872	1
Grants and subsidies revenue				
Capital	10,794	5,074	5,720	2
Fees from regulatory services	4,066	7,346	(3,280)	3
Royalties and rents	3,762	3,785	(23)	
Other income	3,153	3,133	20	
<b>TOTAL INCOME</b>	<b>78,887</b>	<b>75,578</b>	<b>3,309</b>	
<b>Expenses</b>				
Central Holding Authority income transferred	78,887	75,578	3,309	
<b>Total Expenses</b>	<b>78,887</b>	<b>75,578</b>	<b>3,309</b>	
<b>TERRITORY INCOME LESS EXPENSES</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TERRITORY ASSETS AND LIABILITIES</b>				
<b>Assets</b>				
Royalties and rent receivable	3	274	(271)	
Other receivables	454	27	427	
<b>TOTAL ASSETS</b>	<b>457</b>	<b>301</b>	<b>156</b>	
<b>Liabilities</b>				
Central Holding Authority income payable	41	275	(234)	
Unearned Central Holding Authority income	416	26	390	
<b>TOTAL LIABILITIES</b>	<b>457</b>	<b>301</b>	<b>156</b>	
<b>NET ASSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	



### Administered Territory Item Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

1. Variance is mainly due to additional revenue received as part of the Rideshare program.
2. Variance is mainly due to due additional Commonwealth capital revenue for the

Roads to Recovery Program and Regional Aviation Access Program. In addition, capital grant revenue was received for Darwin Waterfront infrastructure upgrades.

3. Variance is mainly due to lower than expected revenue received for driver license and taxi license fees.





# APPENDIX





# APPENDIX

## Legislation and administrative responsibilities

The department administers the following pieces of legislation under the ministerial portfolio of Infrastructure, Planning and Logistics:

### Acts

1. *Aboriginal Land Act*
2. *Aerodromes Act Repeal Act*
3. *AustralAsia Railway Corporation Act*
4. *AustralAsia Railway (Special Provisions) Act*
5. *AustralAsia Railway (Third Party Access) Act*
6. *Building Act* (except provisions relating to the regulation and licensing of occupations)
7. *Commercial Passenger (Road) Transport Act*
8. *Control of Roads Act*
9. *Crown Lands Act* (except section 79)
10. *Crown Lands Freehold (Conversion from Crown Leasehold) Act*
11. *Darwin Port Corporation Act*
12. *Lands Acquisition Act*
13. *Lands Acquisition (Pastoral Leases) Act*
14. *Licensed Surveyors Act* (except provisions relating to the regulation and licensing of occupations)
15. *Marine Act*
16. *Marine Safety (Domestic Commercial Vessel) (National Uniform Legislation) Act*
17. *Miscellaneous Acts Amendment (Aboriginal Community Living Areas) Act*
18. *Motor Vehicles Act* (except Part V)
19. *Northern Territory Land Corporation Act*
20. *Palmerston Development Authority Act Repeal Act*
21. *Pastoral Land Act* (provisions about Aboriginal community living areas)
22. *Place Names Act*
23. *Planning Act*
24. *Plumbers and Drainers Licensing Act* (except provisions relating to the regulation and licensing of occupations)
25. *Ports Management Act*
26. *Public Transport (Passenger Safety) Act*
27. *Rail Safety (National Uniform Legislation) Act*
28. *Road Transport Reform (Vehicles and Traffic) (Northern Territory) Act*
29. *Special Purposes Leases Act*
30. *Swimming Pool Safety Act*
31. *Traffic Act*
32. *Valuation of Land Act.*







## Annual Report 2018-19

DEPARTMENT OF INFRASTRUCTURE, PLANNING AND LOGISTICS

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