

Annual Report 2020-21



Department of Infrastructure, Planning and Logistics

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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 2021. 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*.

Pursuant to my responsibilities as the Accountable Officer under the *Public Sector Employment and Management Act*, the *Financial Management Act* and the *Information Act 2002*, I advise that to the best of my knowledge and belief:

- 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 2021, 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 Digital Development on behalf of my agency.

Yours Sincerely,



Andrew Kirkman
Chief Executive

Department of Infrastructure, Planning and Logistics

25 September 2021



ABOUT THIS REPORT

This annual report summarises the activities and performance of the Department of Infrastructure, Planning and Logistics for 2020–21. Performance is reported against strategic goals, approved budget and performance measures for 2020–21, 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:

| | | | |
|--|--|---|--|
| INTRODUCTION | SECTION 1 Our Organisation | SECTION 2 Our Performance | SECTION 3 Corporate Governance |
| <p>The Department’s Chief Executive’s message.</p> | <p>The Department’s high level structure, purpose, vision and goals.</p> | <p>Divisional output groups and performance in 2020–21 including results against measures published in Budget Paper No. 3, and key highlights and priorities.</p> | <p>The Department’s corporate governance model and performance.</p> |
| SECTION 4 Shared Services | SECTION 5 Our People | SECTION 6 Financial Performance | SECTION 7 Appendix |
| <p>Enterprise corporate service functions provided to the Department by the Department of Corporate and Digital Development.</p> | <p>An overview of the Department’s people, human resource management and legislative requirements.</p> | <p>The Department’s financial statements and related notes.</p> | <p>Details the legislation administered and managed by the Department.</p> |

CHIEF EXECUTIVE'S MESSAGE

Across 2020-21 the Department has been working through the Territory's economic recovery actions to support our recovery as we emerge from COVID-19. Further to this, the Department has awarded nearly 600 construction contracts with a combined value of \$646.2 million, and supported local jobs with 99.94 per cent of contracts awarded to Territory enterprises.



With many of the challenges of 2020 and COVID-19 still present, the Department of Infrastructure, Planning and Logistics has continued a leading role in the economic recovery of the Territory.

As part of the recovery, the Department has been working through the Territory's economic reconstruction actions. One of these actions included the establishment of the Territory's first Infrastructure Commissioner and supporting IBody, Infrastructure NT.

The Infrastructure NT Commissioner is actively working with the Investment and Major Projects Commissioners in pursuing investment and driving major projects in the Territory, and working with Infrastructure Australia to recognise infrastructure projects that will achieve the NT Government's goal of an AU\$40 billion economy by 2030.

Infrastructure NT will establish strong relationships at the national level with the relevant Australian Government agencies and other jurisdictions to ensure that the Territory is front and centre as Australia's comeback capital.

In July 2020, the Department supported the Planning Commission in launching consultation on the Designing Better Project. This initiative will enable and promote quality and well-designed apartments and mixed-use development in the Territory. Heavily informed and guided by the community and industry, the Designing Better project will ultimately inform revised development requirements in the NT Planning Scheme and be complimented by the locality-specific guidance of Area Plans. The final report is expected to be delivered in late-2021.

This Department has progressed priority Building Reform to ensure the community remains confident in the local building industry. The reforms build on our work already done to implement the National Building Confidence Report and will improve regulatory compliance and quality building outcomes for Territory homeowners and investors. A Building Advisory Sub-Committee has been established to progress the reform in consultation with industry. Progress has been positive, though there is much work still to be undertaken.

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.

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 in the Territory and overseas.

Andrew has tertiary and postgraduate qualifications in Business and Accounting.



In February 2021, Infrastructure Australia announced Middle Arm and Beetaloo Gas Development projects as nationally significant priorities in its Infrastructure Priority Listing report. Planning for Middle Arm Sustainable Development Precinct is well underway to guide future development and investment. Middle Arm is planned to support the construction of large gas-based manufacturing industries to value add to the Territory economy.

Huge steps were taken for several Darwin Harbour Infrastructure Projects including the completion of the design and construction Expression of Interest of the Darwin Ship Lift Project and the release of technical concept design for the new marine facility at Mandorah.

We launched the MVR for Business portal allowing more than 7 000 Territory businesses to access vehicle registration transactions 24 hours a day, seven days a week. The portal is ensuring businesses can do business with ease with no need to visit an MVR shop front for a number of transactions that can now be completed online.

We also welcomed the Housing Program Office into the Department. The inclusion of housing maintenance staff on 1 July 2021, completed the centralisation of general Government's infrastructure functions. The Housing Program Office is improving housing in remote communities for Aboriginal people by delivering the \$1.1 billion Remote Housing Investment Package, and the Australian Government's \$550 million of construction works under

the National Partnership for Remote Housing Northern Territory. Last financial year the Program delivered a massive 641 bedrooms in remote communities.

The Department supported local jobs and stimulated the economy with 593 construction contracts awarded in 2020-21 at a value of \$646.2 million.

Of these, 591 (99.94 per cent) were awarded to Territory enterprises at a value of \$645.8 million.

The redevelopment of Civic and State Square continued with the demolition of Chan Building completed, the design for the new State Square Art Gallery finalised and the landscaping on top of the underground carpark completed and thriving, further delivering on the \$200 million plus Darwin City Deal.

A new activity node along Austin Lane from Edmunds Street to Knuckey Street including Spain Place was completed. The enhancements included the construction of two covered walkways, tree plantings and upgraded seating, decorative lighting, improved paving and greening. The activity node is a dedicated space to support community activities such as street parties and festivals.

Construction is well underway at the Palmerston Regional Fire Response and Emergency Services complex. The complex is strategically located on Howard Springs Road, providing emergency services workers with new and modern facilities, while ensuring they can quickly get to emergencies in the Palmerston and rural areas.

The complex is expected to be operational by March 2022.

The construction of a new purpose-built Darwin Youth Justice Centre and the redevelopment of the Alice Springs Youth Detention Centre also commenced. These are major construction projects that will create local jobs, support local business and boost the economy.

The Department also released the first Northern Territory Electric Vehicle (EV) Strategy and Implementation Plan, focused on battery electric vehicles and plug-in hybrid electric vehicles and how households can reduce vehicle running costs, delivering benefits for Territorians and Territory businesses. The Strategy and Implementation Plan supports the uptake of EVs in the Territory.

Remediation of the Wagait Tip site was successfully completed in December 2020. The rehabilitation of the site was a key action in Kenbi Land Claim settlement arrangements. DIPL managed this project on behalf of the Federal Government, and has been recognised for its success, taking out the CCFNT Earth Award in the \$5-\$10 million category. The site will be handed over to the Larrakia Development Corporation once signed off.

Other infrastructure project highlights included:

- the Palmerston Renal Unit at the Palmerston Regional Hospital Site was completed and opened
- completion of the Nitmiluk Mountain Bike Trails

CHIEF EXECUTIVE'S MESSAGE

- redesign and development of the Mimi Aboriginal Art and Craft in Katherine
- the construction of a new multi-story car park at the Alice Springs Hospital is underway
- three major tenders awarded for the Alice Springs Revitalisation projects to deliver upgrades to lighting, cooling initiatives and river activation to create a vibrant Alice Springs CBD for locals and visitors
- works underway on a new STEM Centre for Casuarina Senior College
- the Myilly Point Playground Precinct works were completed and the playground open to the public
- progress on the John Stokes Square site in Nightcliff with the police station almost complete and social housing well and truly underway
- delivery of Zuccoli Primary School (Stage two) for term one, 2021.

Key roads were upgraded throughout the Northern Territory to improve safety, boost industry and support major projects to create local jobs and advance the Territory's economy, including:

- completion of road and bridge works on the Litchfield Park Road, completing the sealing of the Litchfield Park loop road
- ongoing upgrade to the Arnhem Highway over the Adelaide River Flood Plains to reduce flood impacts
- delivered a joint initiative to complete the new Rocky Creek Bridge between all levels of Government, Roper Gulf Regional Council and McArthur River Mine
- continuing upgrades of 11.7 kilometres of Port Keats road and Saddle Creek Bridge, improving the critical connection between West Daly and Victoria Daly communities including Nauiyu, Peppimenati, Nganmarriyanga, and Wadeye and back to Darwin
- Coolalinga Road Safety Upgrades design works are due for completion at the end of October 2021, with the main works to commence in mid-2022

- the \$58 million Keep River Road Project was completed and officially opened
- design and early contractor involvement tender proceedings for the Tiger Brennan Drive and Berrimah Road overpass.

The Department has continued to deliver for Territorians through a range of projects, and improvements to services and customer experiences making it easier to live, work and explore in the Northern Territory including:

- 3.13 million public transport passenger journeys each year in the Greater Darwin and Greater Alice Springs regions across 42 routes
- those 42 routes covered 271.8 million kilometers across the Northern Territory
- 1.32 million passenger journeys by school students across 288 routes per day, on 114 buses
- delivery of 260 kilometres of shared pedestrian and bike paths across the Territory
- management of 22 500 kilometres of highways, arterial and local roads
- delivery of 829 346 SMS renewal reminders to MVR customers
- 20 197 total on road vehicle checks.

The Department continued to roll out and champion the Customer Service Charter developed in 2020, including the establishment of the Business Improvement Unit.

I thank the Department's staff and our industry partners who have continued to work tirelessly for the benefit of our diverse Territory community over 2020-21.



Andrew Kirkman
Chief Executive

Department of Infrastructure, Planning and Logistics



OUR ORGANISATION



OUR DEPARTMENT

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 PURPOSE

To work with Territory businesses, industry and the community to plan, regulate, construct and maintain integrated sustainable infrastructure, developments and services across the Northern Territory.

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

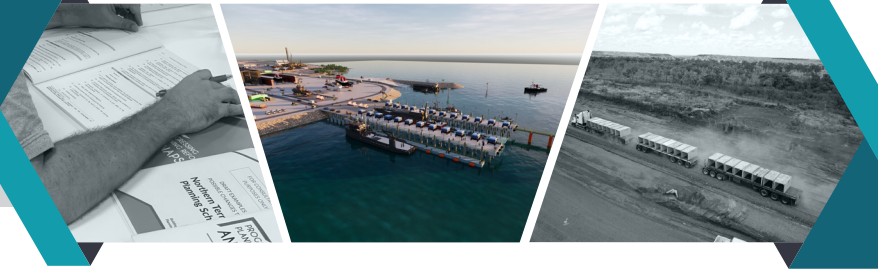
We work together with our colleagues, industry and stakeholders to deliver tasks and projects with the aim of achieving shared success.

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 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.

- management of buildings, roads, bridges and other assets with a written down value of over \$8.2 billion
- management of the Government's land portfolio worth approximately \$804 million
- a total operational budget of \$479.3 million, most of which is funded through output appropriation from the Northern Territory Government's contribution of \$316.1 million
- collected revenue on behalf of Government, including:
 - \$97.3 million from rent, royalties and regulatory services including motor vehicle registration and stamp duty fees.

OUR RESOURCES

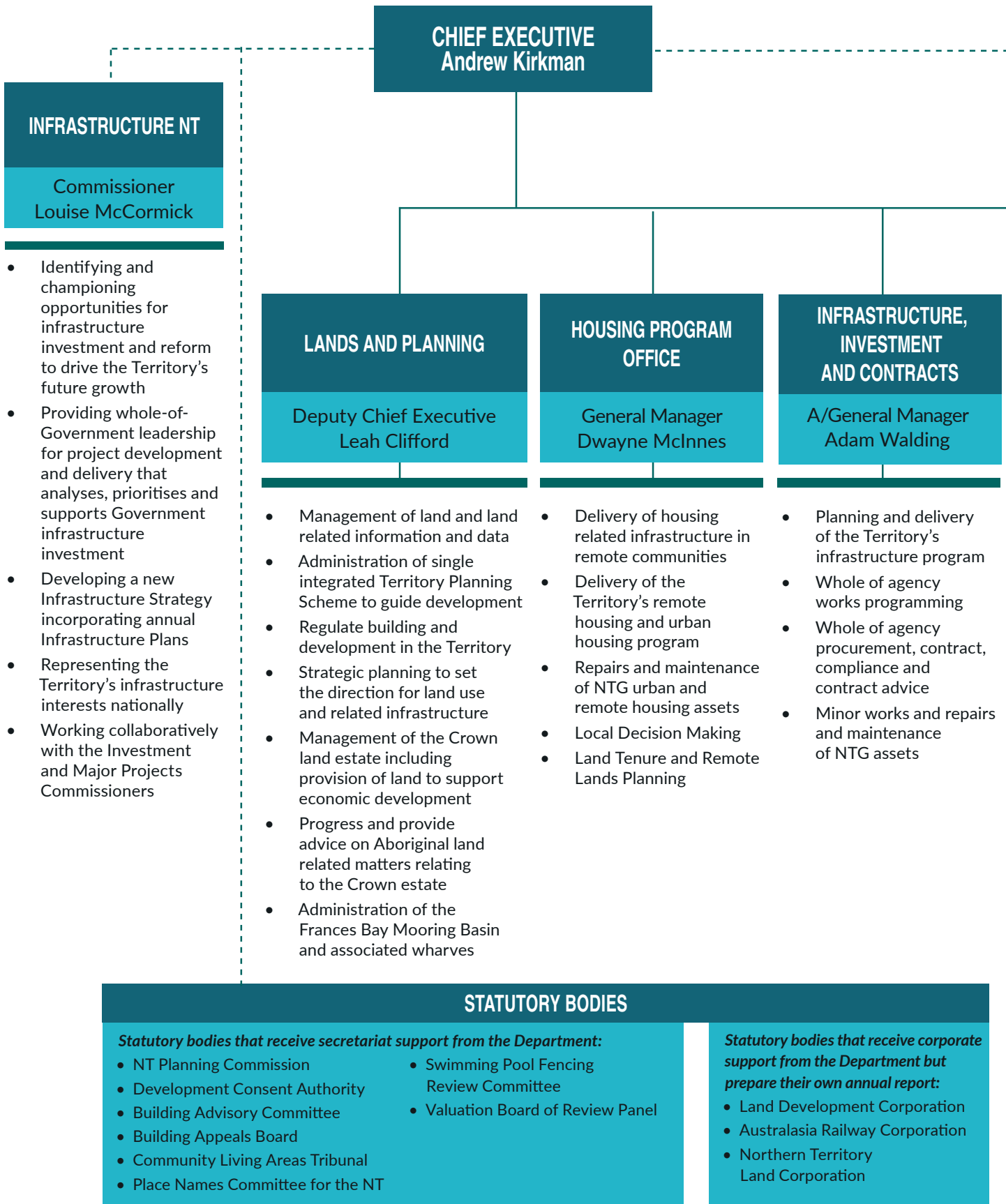
At 30 June 2021 the Department had:

- 799 full time equivalent (FTE) staff based in Darwin, Katherine, Nhulunbuy, Tennant Creek, Alice Springs and Yulara
- spent \$759.3 million on infrastructure and related payments
- a \$2.7 billion infrastructure program



Zuccoli Village

OUR STRUCTURE



DEPARTMENT OF CORPORATE AND DIGITAL DEVELOPMENT

- Human Resources
- Information Management
- Data
- Digital
- Web
- Fleet Management

TRANSPORT AND CIVIL SERVICES

General Manager
John Harrison

- Develop strategies and programs to manage and deliver the Territory's transport and civil infrastructure
- Transport and logistics planning and policy support
- Whole of Department legislation
- Public and school bus transport services and security
- Heavy and commercial vehicle compliance
- MVR driver licensing and vehicle legislation services
- Road safety services
- Port regulation

GOVERNANCE AND EXECUTIVE SERVICES

Executive Director
Tegan Berg

- Secretariat and Ministerial Liaison
- Media, Marketing, Communications and Engagement
- Executive Coordination and Governance
- Audit, Risk and Investigations
- Work Health and Safety (WHS)
- ICAC Nominated Recipient
- Business Improvement

NORTHERN REGION

Executive Director
Claire Brown

- Oversight of the East Arnhem Region and Big Rivers Region
- Reporting to relevant Division heads in respect of their specific work programs
- Deliver and manage services including:
 - lands and planning functions
 - infrastructure and housing projects including capital works and minor new works
 - NTG asset repairs and maintenance transport and civil services functions

SOUTHERN REGION

Executive Director
Sarah Fairhead

- Oversight of the Central Australia and Barkly Regions
- Reporting to relevant Division heads in respect of their specific work programs
- Deliver and manage services including:
 - lands and planning functions
 - infrastructure and housing projects including capital works and minor new works
 - NTG asset repairs and maintenance transport and civil services functions

OUR PRIORITIES

STRATEGIC OBJECTIVES, PRIORITIES AND ACTIONS

| LONG-TERM PLANNING | INFRASTRUCTURE DELIVERY | QUALITY SERVICES | CONTEMPORARY ORGANISATION |
|--|--|---|--|
| <p>Long-term planning that integrates community needs and industry best practice.</p> | <p>Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio.</p> | <p>Deliver innovative, well-regulated, safe and sustainable services.</p> | <p>Create an organisation with the values, capacity and capability to deliver effective services.</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 and update the Northern Territory (NT) Infrastructure Plan.</p> <p>Deliver the Territory Wide Logistics Master Plan.</p> <p>Plan and protect logistics corridors for future growth.</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 for the future development of the Middle Arm Sustainable Development Precinct to support growth in the manufacturing sector.</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 <i>Value for Territory</i> procurement principles.</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 NT Infrastructure Plan.</p> <p>Work with all NTG Departments to deliver their works programs.</p> <p>Deliver improvements to transport infrastructure including roads, bridges, barge landings and aerodromes.</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"> - review the building regulatory framework - progress building reform. <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 and drive the customer service framework to enhance services across the agency.</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 of 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> |



Investing in the bush



Trust



Jobs and economy



Greening and vibrant cities



Putting children at the heart of Government



Investing in our staff (Department theme)



Safer and vibrant communities



NORTHERN TERRITORY GOVERNMENT

The Department of Infrastructure, Planning and Logistics is committed to delivering a professional, accessible, responsive, reliable and consistent service to our customers.

For more information on the Customer Service Charter, go to www.dipl.nt.gov.au/strategies

OUR CUSTOMER CHARTER

The Department of Infrastructure, Planning and Logistics continues to champion and support its Customer Service Charter launched in 2020.

The Charter focuses on service delivery to measure and assess performance and improve the Department's performance. The Department's Charter provides staff and clients a central point for customer experience and service initiatives. Staff that champion the Charter are recognised.

To continue to develop our service and the Charter, Chief Minister and Cabinet is developing a "tool kit" for agencies to assist in identifying and solving friction points of service. Once delivered this tool kit will help develop the next Charter.

01

YOUR VOICE MATTERS

We will listen to you to understand your needs. We will engage with you to get to know you and your business better.

02

MAKING IT EASY

We will make it easy for you to access Department Services.

03

RESPECTING YOUR TIME

We will respect your time and take ownership to address your enquiry and keep you informed.

04

KEEPING YOU INFORMED

We will let you know what to expect and provide a transparent and responsive service.

05

QUALITY SERVICE FOR YOU

We are committed to delivering a quality service in a respectful and coordinated manner.

06

YOUR SAFETY FIRST

We will make your safety our priority.

FINANCIAL SNAPSHOT

For the 2020–21 financial year, the Department of Infrastructure, Planning and Logistics operated with 799 full time equivalent (FTE) staff and a budget of \$479.3 million.

It provided services across five output groups:

- Corporate and Shared Services¹
- Lands and Planning
- Infrastructure investment program, support and delivery
- Logistics Infrastructure and Services
- Housing Program Office

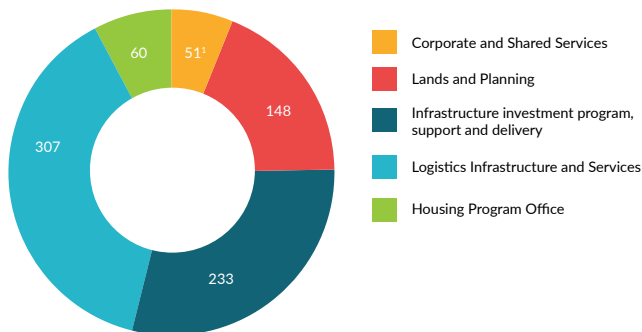
A breakdown of the distribution of financial and FTE resources to each output group that enable services to be delivered to the community and Government is detailed in the following charts.

The Department is funded mainly through output appropriation from the Northern Territory Government at a total of \$316.1 million.

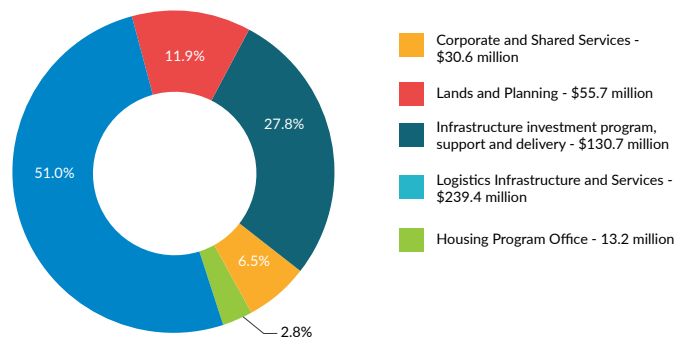
Although the main source of funds is through appropriation, the Department also collected revenue on behalf of the Government for taxation revenue, grants and subsidies, regulatory services and royalties and rents totalling \$97.3 million in 2020-21. These funds are directed to the Central Holding Authority.

¹ Corporate includes Executive, Governance, Finance and Office Services

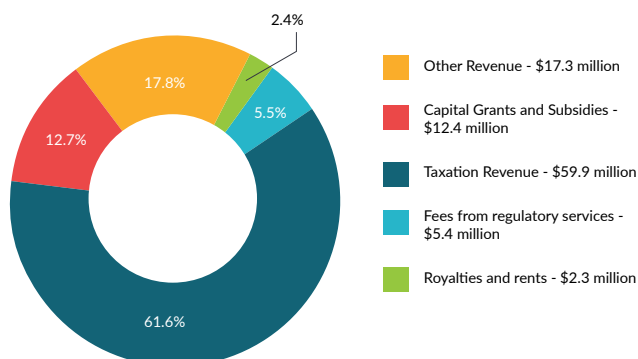
FTE by Output Group (total 799)



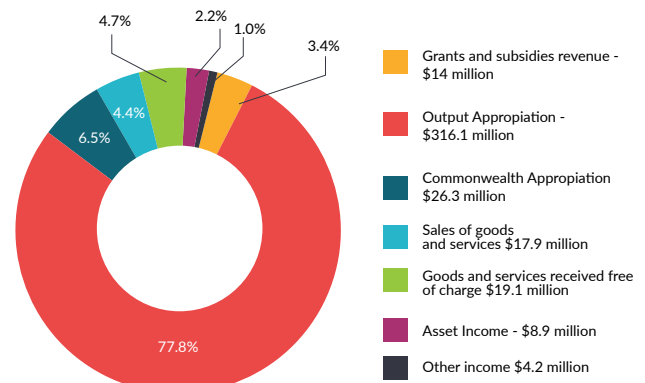
Actual Expenditure by Output Group (\$469.6 million)



Revenue collected on behalf of Government – Central Holding Authority (\$97.3 million)



2019-20 Operating Income (\$406.5 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.

The Department had an annual budget of \$479.3 million for the 2020–21 year; a decrease of \$21.2 million from the approved 2020–21 budget, tabled in November 2020. The decrease mainly resulted from the recent revaluation of roads and bridges, which although increased in value, it resulted in a change between asset components and a reduction to the depreciation rate applied. In addition, there were funds transferred from 2020–21 to 2021–22 and forward years for design and development of significant projects to align budget with projected expenditure.

Other significant changes to the budget included several transfers throughout the financial year from the repairs and maintenance program to the capital works program. Further increases included an increase in budget due to non-cash capital grants provided to local government councils for completed works in progress and one-off non-cash land servicing capital related expenditure that cannot be recorded as an asset.

The Department reported expenses for the financial year of \$469.7 million, which is less than the final approved budget. The final result for the year was \$9.6 million under the operational budget

which includes salaries, operational, repairs and maintenance and grant expenses. This is mainly due to the timing of recruitment for several Commonwealth funded positions and other major projects not yet filled.

Another significant variation was the expected and budgeted expenditure relating to the Northern Territory's response to COVID-19 and the Centre for National Resilience, which came in lower than originally estimated. A request for unspent Commonwealth monies and other expenditure timing delays, will be submitted for approved budget capacity in 2021–22 as part of the carryover process due to timing of commitments.

The Department incurred a number of costs for unfunded items, which were fully absorbed by the Department within the existing budget.

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



| OUTPUT | 2020-21 Budget \$000 | 2020-21 Final Budget \$000 | % change | 2020-21 Actuals \$000 | % change to Final |
|--|----------------------------|----------------------------------|----------------------------|--------------------------|----------------------------|
| Infrastructure Investment Program, Support and Delivery | 143 939 | 128 354 | -10.83%¹ | 130 719 | 1.84%⁵ |
| Infrastructure Investment Delivery | 39 608 | 31 995 | | 33 107 | |
| Program Support | 8 223 | 8 504 | | 8 501 | |
| Asset Management | 96 108 | 87 855 | | 89 111 | |
| Lands and Planning | 52 408 | 54 837 | 4.63%² | 55 670 | 1.52%⁶ |
| Land Development | 10 561 | 12 980 | | 9 744 | |
| Development Assessment Services | 3 208 | 3 208 | | 3 506 | |
| Crown Land Estate | 23 393 | 23 402 | | 27 354 | |
| Lands Planning | 2 831 | 2 831 | | 2 684 | |
| Building Advisory Services | 3 406 | 3 406 | | 4 618 | |
| Land Information | 8 641 | 8 642 | | 7 499 | |
| Northern Territory Planning Commission ⁱ | 368 | 368 | | 265 | |
| Logistics Infrastructure and Services | 274 515 | 248 950 | -9.31%³ | 239 581 | -3.76%⁷ |
| Passenger Transport | 64 052 | 65 415 | | 62 792 | |
| Registration and Licensing | 10 784 | 10 495 | | 9 866 | |
| Road Safety and Compliance | 10 021 | 9 991 | | 8 658 | |
| Transport Planning and Delivery | 169 322 | 142 013 | | 141 164 | |
| Transport Assets | 17 488 | 18 218 | | 14 244 | |
| Strategy, Policy and Legislation | 2 848 | 2 818 | | 2 857 | |
| Housing Program Office ⁱⁱ | 0 | 16 625 | N/A | 13 169 | -20.79%⁸ |
| Capital Program Delivery | 0 | 3 660 | | 3 225 | |
| Program Planning and Engagement | 0 | 12 965 | | 9 944 | |
| Corporate and Governance | 29 619 | 30 492 | 2.95%⁴ | 30 554 | 0.20% |
| Corporate and Governance | 11 161 | 12 034 | | 11 426 | |
| Shared Services Received | 18 458 | 18 458 | | 19 128 | |
| TOTAL OUTPUT BUDGET | 500 481 | 479 258 | -4.24% | 469 693 | -2.00% |

ⁱ Northern Territory Planning Commission amalgamated into the Lands and Planning output in 2021-22.

ⁱⁱ Housing Program Office transferred into the Department in December 2020.

1. Infrastructure Investment Program, Support and Delivery decreased from the original budget to the final budget mainly due to a transfer of appropriation from the repairs and maintenance program to the capital works program, the transfer of funding between years to align with project funding and the transfer of the Capital Program Delivery output to the Housing Program Office output group.
2. Lands and Planning increased from the original budget to the final budget mainly due to one-off non-cash land servicing capital related expenditure that cannot be recorded as an asset and transfers of funding between years to align with project funding.
3. Logistics Infrastructure and Services increased funding for the Remote Passenger Transport Program, which is offset by CPI adjustments. The variation in the transport planning and delivery output in 2020-21 reflects a reduction in non-cash depreciation expenses following asset revaluations. The variation in the transport assets output in 2020-21 is mainly due to one-off non-cash capital expenditure not meeting the capitalisation criteria and required to be expensed.
4. Corporate and Governance increased from the original budget to the final budget mainly due to the transfer of some corporate functions from the Department of Territory Families, Housing and Communities as part of the Machinery of Government changes.
5. Infrastructure Investment Program, Support and Delivery ended the year with total expenses of \$129.17 million against a final budget of \$128.35 million. The variance in actual expenses against budget was mainly due to the Whole of Government repairs and maintenance program, managed by the Department being overachieved and able to be absorbed within other output groups.
6. Lands and Planning ended the year with total expenses of \$55.41 million against a final budget of \$54.47 million. The variance in actual expenses against budget is mainly due to land servicing capital related expenditure that cannot be recorded as an asset and able to be absorbed within other output groups.
7. Logistics Infrastructure and Services ended the year with a total expense of \$241.13 million against a final budget of \$248.95 million. The variance in actual expenditure against budget mainly resulted from timing delays in the Commonwealth funded programs, recruitment delays for significant projects and timing of some capital grant payments due to milestones. Timing variations will be submitted for approved budget capacity in 2021-22 as part of the carryover process.
8. Housing Program Office ended the year with a total expense of \$13.17 million against a final budget of \$16.63 million. This output was transferred to the Department in 2020-21 as part of the Machinery of Government changes. The variance is mainly due to the timing of Commonwealth funded expenditure for Land Tenure. Timing variations will be subject to a carryover request for the 2021-22 financial year.

GOVERNANCE & EXECUTIVE SERVICES

The Governance and Executive Services Division provides high level administrative, communication and governance support to assist the Chief Executive drive and achieve Department outcomes.

Governance and Executive Services has five main functions – Secretariat, Communications and Engagement, Audit, Risk and Investigations, Work Health and Safety and Business Improvement.



SECRETARIAT

The Secretariat unit plays a pivotal role in the relationship between the Minister's office and the Department. The unit provides advice on preparing, handling and procedures for ministerial, Cabinet and parliamentary documents and supports the Chief Executive and staff.

COMMUNICATIONS AND ENGAGEMENT

The Communications and Engagement unit provides communication, media relations stakeholder and community engagement services to the Department.

Key services provided include:

- stakeholder and community relations services to support the delivery of Departmental initiatives
- design and production of digital and print collateral to communicate Departmental priorities
- crisis and emergency response communications and media
- 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, design services and project managing outsourced material
- sponsorship management
- event management
- management of after hours media enquiries, communications and engagement.
- 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.

Key projects include:

- Chan Building demolition and remediation for green space
- 90 Bay Carpark Redevelopment
- State Square Art Gallery design
- Mango roads upgrade and seal
- Middle Arm Sustainable Development Precinct
- Mandorah Marine Facility
- Katherine Logistics and Agribusiness Hub

TEGAN BERG

Director, Executive Services

Tegan oversees Governance and Executive Services for the Department. This unit manages ministerial, Cabinet and parliamentary correspondence, the daily media management, communication strategies and stakeholder engagement for the Department's projects and policies, audit and investigations, work health and safety, business improvement and Aboriginal development.

Tegan grew up in Darwin and has lived most of her life in the Northern Territory. Tegan has spent 17 years working for the Northern Territory Government and the Victorian State Government.

A highlight for Tegan in 2020-21 was the establishment of the Business Improvement Team in the division to drive and support the delivery of the Department's Customer Service Charter and provide support to improve customer experience for the agency.



- Saddle Rail Creek Bridge
- Darwin CBD bus stop and bus lane changes
- John Stokes Square Redevelopment
- Myilly Point asbestos remediation and playground precinct
- Richardson Park Community Space
- National Road Safety Week
- Keep River Road
- Arnhem Highway Adelaide River Flood Plains
- Alice Springs CBD Revitalisation
- Electric Vehicle Strategy
- Corroboree Access Road
- Northern Territory Cycle Path Review.

- develop and implement agency policies and procedures related to WHS
- employee health and wellbeing initiatives
- coordination of WHS committees
- incident management and implementation of any actions arising from incidents in the workplace
- providing advice on WHS matters
- support the of whole of Government WHS reform.

AUDIT, RISK AND INVESTIGATIONS

The Audit, Risk and Investigations unit manages the internal audit, risk management, and investigative functions. Key services include:

- developing and implementing an annual internal audit plan for the Department
- coordinating and undertaking internal audits, investigations and reviews
- monitoring audit outcomes and recommendations
- assisting managers and employees in addressing organisational and operational risks
- maintaining the Department's risk register
- providing advice on probity and decision-making
- providing secretariat support to the Audit and Risk Management Committee.

BUSINESS IMPROVEMENT

The Business Improvement (BI) team focuses on agency-wide business improvement, workforce planning and development, and Aboriginal workforce development. The BI Team is also responsible for providing a Territory wide support service for pandemic, counter disaster planning and emergency response in collaboration with other key agencies and industry (i.e. cyclones, bushfires, flooding and other disasters) on behalf of the Department.

WORK HEALTH AND SAFETY

The Work, Health and Safety (WHS) unit provides oversight of the WHS framework which defines WHS responsibilities for the Department. Key services include:

- WHS risk assessment processes for the identification of hazards within the workplace



GOVERNANCE & EXECUTIVE SERVICES

2020–21 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 Reform.

Supported various components of Planning Reform by assisting with ministerial, Cabinet and legislative processes.

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 as part of Government's 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, Planning Reform, John Stokes Square Redevelopment, City Deals' State Square Car Park, Austin Lane activity nodes, State Square Art Gallery design and Richardson Park Community Space.

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

Provided work health and safety training, advice and support to project managers.

Worked closely with other NTG agencies to have coordinated communications to the community on the delivery of infrastructure projects.

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

Actions

Continued to maintain and improve the NT Infrastructure, Planning and Logistics social media engagement and presence to improve and maintain consistent communication channels with the public.

Conducted internal audits that identified business process improvement opportunities and methods to strengthen internal controls to reduce risk to the Department.

Delivered a work health and safety third party audit for the Department to improve WHS outcomes for the agency.

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

Actions

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.

Coordinated and provided Secretariat support for:

- Executive Leadership Team – 11 meetings
- Audit and Risk Management Committee – three meetings
- Work Health and Safety Worksite Committee Chairs – four meetings.

Continuously improved WHS policies and procedures.

Conducted internal audits that identified improvements in processes to enhance the efficiency and effectiveness of undertaking Departmental activities.



2020-21 PRIORITIES

Communications and Engagement Unit

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

- Planning Reform
- Procurement Process Reform
- Building Reform.

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

- State Square Art Gallery
- Mango roads upgrade and seal
- Richardson Park Community Space
- Plenty Highway upgrades
- Tablelands Highway upgrades
- John Stokes Square Redevelopment
- Katherine Agribusiness and Logistics Hub
- Palmerston Fire Station
- Arnhem Highway and Adelaide River Flood Plain
- Darwin Ship Lift
- Mandorah Marine Facility
- Middle Arm Sustainable Development Precinct
- Tiger Brennan Drive and Berrimah Road Overpass
- Building Reform.

Manage and implement communication strategies for engagement projects, including:

- Towards Zero Action Plan
- Advertising and Activities in road reserves
- Heavitree Gap Planning Study
- Rest Stop Facilities Strategy
- Electric Vehicle Strategy
- Building Reform.

Assist in the implementation of the Territory Economic Recover Committee Plan.

- IBody – Infrastructure NT
- The Place – Vibrant Future.

Secretariat

- Ensure the Department adheres to timeframes allocated by the Minister's office, Cabinet and Executive Council deadlines
- coordinate Legislative Assembly and Estimates Committee briefings for the Minister
- assist in the Budget Cabinet process
- coordinate reporting across the Department on Cabinet Decision implementation, election commitments and boards and committees.

Audit, Risk and Investigations

- Deliver the Department's annual internal audit plan
- continuous improvement of internal policies and processes to create efficiencies and streamline activities
- coordinate and deliver governance training including fraud and corruption and risk management
- continue to strengthen internal controls to minimise and mitigate identified risks of Departmental activities.

Work Health and Safety

- Continue to provide advice and support to WHS Worksite Committees, managers and employees on WHS matters
- continue to work towards improved knowledge of WHS obligations through training and information sessions
- work towards implementing WHS management systems across the Department including regions
- further enhance communication and consultation processes on WHS matters within the agency.

Business Improvement

- Develop programs to retain quality staff, including a focus on Aboriginal employment
- create workplaces that foster innovation and promote excellence underpinned by a culture of collaboration
- support the development and implementation of Government's Aboriginal Contracting Framework
- actively engage and build relationships with Indigenous Business Enterprises
- drive new ways of doing business that create efficiencies in our operations and enable agile response to changes in our environment
- drive the implementation of DIPLs Customer Service Charter
- co-ordinate and manage a Territory wide support service for counter disaster planning and emergency response in collaboration with other key agencies and industry
- provide advice on the impact of international, national or local plans to ensure internal Departmental consistency in emergency management plans and responses
- develop and support the implementation of the Business Continuity Planning policies and structures within the Agency.

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 three business units as follows:

- **Strategic Planning** – develops long-term planning and priorities for transport corridors through the Territory. This includes undertaking strategic planning for, and providing advice on major projects including those related to energy, mining and manufacturing. The unit provides advice on tenure issues for transport and infrastructure projects as well as managing land use agreements and mineral extraction agreements, which includes dealings with Land Councils. The unit also provides environmental services for the Department and across Northern Territory Government agencies.
- **Program Development** – develops and manages infrastructure priorities and programs for the National Road Network, and Territory roads through the National Partnership on Land Transport Infrastructure projects. The unit provides asset management services for transport assets including developing priorities and managing programs and funding for aerodromes, barge landings, boat ramps and bus stops. Cost estimating services for the planning and delivery of civil infrastructure projects also sits with this unit as well as managing regional council infrastructure grants and claims for disaster recovery works.
- **Corridor Management and Design** – plans, design and manages key transport projects for the Northern Territory Government that caters for economic and population growth while maintaining principles of safety, quality and value for the Territory. Undertakes design reviews and issues road agency approvals for third party developments on behalf of the Northern Territory Government. The unit also undertakes design for selected Northern Territory projects and manages the Northern Territory Government's specifications for construction and maintenance of Government infrastructure and technical drawings.

JOHN HARRISON

General Manager, Transport and Civil Service

John has recently joined the Civil and Transport Services team after leading the delivery of multiple infrastructure works programs as General Manager Infrastructure, Investment and Contracts.

John has worked in both the private and public sectors and has transitioned from a private sector tradesman to a senior public servant over a 30 year career serving the Northern Territory.



CIVIL SERVICES

Provide project management services to construct transport infrastructure across the Northern Territory, including roads, bridges, aerodromes, barge landings and marine infrastructure. Civil Services covers capital works, minor new works and specific maintenance programs, this includes:

- Northern Territory in traffic engineering and operations, whole of life cycle asset management, bituminous surfacing and road operations and inspections
- providing the 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
- delivering works programs in partnership with industry to ensure efficient and effective work practices
- delivering 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.
- providing support services for counter disaster planning and response within the Darwin region and manages the Road Reporting Systems.

TRANSPORT SAFETY AND SERVICES

Transport Safety and Services consists of four business units:

- **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.
- **Road Safety and Compliance** – responsible for road safety education and awareness programs including school based education, the *DriveSafe NT* driver education and training program, vehicle safety standards, heavy vehicle enforcement and compliance across the Northern Territory.
- **Passenger Transport** – manages and regulates the passenger transport industry, consisting of public transport bus services and commercial passenger vehicles including rideshare services. Passenger Transport also manages contracts for public, school and special needs bus transport, remote bus services and ferry services to the Tiwi Islands and Mandorah. The unit includes a specialised Transit Safety function 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 oversight of designated ports and pilotage operations in the Northern Territory. The unit is responsible for recreational boating safety and awareness, compliance

and waterways management including navigational aids.

STRATEGY, POLICY AND LEGISLATION

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

- **Strategic Policy** – provides strategic advice to the Northern Territory Government by developing strategic policy and plans in consultation with stakeholders. The unit develops and provides input to 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 Infrastructure and Transport Ministers’ Meetings and advocates for the Northern Territory’s position through national forums. These include the Heavy Vehicle Road Reform, Land Transport Market Reform, National Land Freight Strategy Working Group, National Road Safety Strategy Working Group and Austroads’ Taskforces. Additionally, the unit is responsible for developing and implementing road safety policy, active and sustainable transport policy and regional, remote aviation policy,

TRANSPORT AND CIVIL SERVICES

undertaking assessments and analysis, and developing and contributing to Government-wide policy and submissions.

- Legislation and Reform** – the unit provides legislation and policy advice, inputs to lands and building legislation administered by the Department, assists divisions seeking legal advice and statutory interpretation of

issues, and delivers the freedom of information function for the Department. The unit also reviews and amends transport legislation to ensure legislative frameworks are streamlined, relevant, contemporary and meet appropriate standards. This includes regulatory frameworks for commercial passenger vehicle licensing, road transport, marine and ports, traffic safety, vehicle

standards and *Australian Road Rules*. The unit develops and implements national and local transport legislative reforms to drive economic and social development and participates in and advocates for the Northern Territory's position during the ongoing national legislative review and reform process.

Fast Facts



ROAD REPORT NT





2020–21 STRATEGIC OBJECTIVES

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

Actions

Obtained Australian Government approval for 20 project proposals worth a total of \$145 million.

Completed construction of the:

- Keep River Plains Road upgrade including bridges over Keep River and Sandy Creek
- Litchfield Park Road including the lower Finniss River bridge crossing
- Kambolgie Creek bridge crossing on Gimbat Road
- Maningrida barge landing upgrade.

Commenced construction on:

- Buntine Highway and Plenty Highway early works packages, as well as survey
- Bus stop upgrades including achieving *Disability Discrimination Act 1992* compliance.
- Central Arnhem Road and Tanami Road early works packages.

Successful delivery of 11 minor new works projects across various remote aerodromes including Willowra and Yuendumu.

Commenced investigations for the upgrade of the Carpentaria Highway.

Undertook cycling policy development, monitoring of the cycle path network and assisted with a review of the shared path networks across the urban centres of the Northern Territory, including community consultation in late 2020.

Delivered upgrades at Darwin Rail Terminal to achieve compliance with the *Disability Discrimination Act 1992* and in accordance with the national *Passenger Transport Terminal Standards*.

Completed the remediation of the former Wagait Tip on the Cox Peninsula, as a settlement agreement action from one of the longest running land claims in the history of the *Aboriginal Land Rights (Northern Territory) Act 1976*; the Kenbi Land Claim.

Established the Darwin Harbour Infrastructure Program team.

Commenced delivery of the first tranche of the National Road Safety Program across the Northern Territory.

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

Actions

Delivered MVR for Business portal.

Commenced a 12 month trial of new electronic bus timetables at the Cavenagh Street bus stop in Darwin which includes the use of solar power.

Upgraded transit safety body worn cameras, and police radio handsets for more efficient safety and security operations on the Darwin bus network.

Introduced new taxi and minibus security camera specifications which can be uploaded and stored remotely to a cloud-based storage database.

Developed, in consultation with the Solicitor for the Northern Territory, a new package aimed at providing the taxi industry with clear requirements around how taxis can be operated which will prohibit subleasing and require drivers to be engaged under a bailment arrangement.

Processed a total of 221 development related applications comprising of 110 Planning and Clearances, 43 Service Approvals, and 68 Road Agency Approvals.

Obtained 14 new Authority Certificates and completed 12 Requests for Information under the *Northern Territory Aboriginal Sacred Sites Act 1989* to ensure the protection of sacred sites during the planning and construction of road, infrastructure, building and housing projects.

Implemented the new national *Traffic Management Guidelines*.

Implemented Guidelines for Advertising and Activities in NTG managed Road Reserves.

Continued to support the administration of major events including Defence expos and Red CentreNATS.

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, this includes:

- identifying amendments across the Department's legislation and supporting the Department of the Attorney-General and Justice in developing two omnibus bills to streamline and improve processes for Territory businesses.

- preparing drafting instructions for the proposed Transport Legislation Amendment Bill 2020, which includes 27 discrete legislative amendments including the creation of offences for careless driving causing death and serious injury.
- made the Traffic Amendment Regulations 2020, to harmonise the Australian Road Rules in the Northern Territory with Model Australian Road Rules.

Worked with the National Transport Commission to update model Australian Road Rules including new and updated rules associated with Personal Mobility Devices and Driver Distraction.

Undertook road safety related policy, planning and implementation, including provided a secretariat for the Road Safety Executive Group and Towards Zero Implementation Working Group.

Participated in and contributed to a number of national policy reforms including the development of the National Road Safety Strategy, the review of the Heavy Vehicle National Law, the national reform of driver laws, a safety assurance system for the safe development of automated vehicles, and the Land Transport Market Reform process.

Continued to input to NT WorkSafe's development of the Road Transport Fatigue Management Guide.

Continued to progress the review of the NT Livestock Loading Scheme.

Provided a secretariat for the National Cabinet Reform Committee on Infrastructure and Transport, the Infrastructure and Transport Ministers' Meeting and the Infrastructure and Transport Senior Officials Committee.

Participated in local and national working groups and forums including:

- Remote Areas Consultative Group
- National Transport Commission
- Office of the National Rail Safety Regulator
- National Maritime Safety Regulator
- National Heavy Vehicle Regulator
- Austroads Taskforce Groups
- Australian Road Rules Maintenance Group.

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

Actions

Completed planning for the Coolalinga Road Upgrades and the Pinelands Road Safety Upgrades project, releasing the preferred concepts to the community in late 2020.

Completed the Mandorah Marine Masterplan and released to the community in November 2020.

Developed Central Arnhem Road Investment Strategy and progressed other investment strategies for National Highways including Tanami Road, Tiwi Islands, Buntine Highway and Port Keats Road.

Successful submission to Infrastructure Australia achieving High Priority listing for enabling infrastructure to develop the Beetaloo Sub-Basin and supporting preliminary studies to identify a preferred corridor for pipeline.

Finalised the Territory-Wide Logistics Master Plan.

Developed an Electric Vehicle Strategy and Implementation Plan.

Provided remote and regional aviation policy development and advice.

Developed and implemented sustainable and active transport policy and programs.

Contributed to climate change, renewable energy and energy policy development.

Commenced development of a policy for Personal Mobility Devices (including e-scooters) in the Northern Territory.

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

Actions

Strengthened our regions through building productive relationships and empowering local decision making, and resilience to maintain and deliver services.

Commenced evolution or delivery models to capitalise on Departmental and industry strengths.



TRANSPORT AND CIVIL SERVICES KEY PERFORMANCE INDICATORS

| Key Performance Indicator | 2019-20 Actual | 2020-21 Budget | 2020-21 Estimate | 2020-21 Actual | 2021-22 Budget |
|--|-------------------|-------------------|---------------------|-------------------|-------------------|
| Logistics Infrastructure and Services | | | | | |
| Deliver community and school-based road safety education | 253* | 350 | 350 | 407 | 350 |
| Vehicles checked as part of on-road auditing activity | 19 035* | 21 000 | 21 000 | 20 197 | 21 000 |
| Average MVR customer wait time (minutes) | 12.42 | 10 | 10 | 16.45 | 10 |
| Customer satisfaction with Motor Vehicle Registry (MVR) | 98.8% | 95% | 95% | 98% | 95% |
| Per centage of MVR renewals processed through alternative servicing channels | 68% | 60% | 60% | 74% | 70% |
| Average sealed road rated as smooth (IRI <4.2m/km) | 95% | 95% | 95% | 95% | 95% |
| Reported defects on roads versus number repaired | 52%* | 55% | 55% | 54%* | 55% |

* Impacted by COVID-19 travel restrictions and response.

TRANSPORT COMMUNITY CONSULTATION

| Transport Planning Project | Number of stakeholders engaged with | Total number of stakeholders reached |
|---|---|--|
| Announcement of Mandorah Marine Masterplan | 40 | 148 |
| Bagot Road Shared Path Planning Study | 206 | 1 122 |
| Vanderlin Drive / Lee Point Road intersection study | 184 | 6 244 |
| Coolalinga Road Safety Upgrades | 270 | 13 500 |
| NT Shared Path Network Reviews | 373 | 20 138 |
| Buntine Highway Investment Strategy Development | 18 | 68 |
| Central Arnhem Road Investment Strategy Development | 40 | 180 |
| Total stakeholders reached across transport planning projects: | 1 131 stakeholders directly engaged with | More than 41 400 stakeholders reached |

Highlights and Achievements

TRANSPORT PLANNING

INFRASTRUCTURE AUSTRALIA PRIORITY LIST

In February 2021 DIPL was successful in its submission for two new Territory infrastructure projects to be added to Infrastructure Australia's National Infrastructure Priority List. Released annually, the list is an independent assessment on Australia's infrastructure needs.

The 2021 list represents an important achievement for the Territory with Territory-based projects growing from three to eight, including the two priority projects submitted by DIPL. The two projects are:

- Enabling infrastructure for developing the Beetaloo Sub-Basin (listed as High Priority).
- Common user infrastructure at the Middle Arm Precinct.

Developing the Beetaloo Sub-Basin requires supporting infrastructure including roads, rail, aviation and utility infrastructure. Joint Australian and Northern Territory Government road funding of \$367 million has been announced, ensuring key roads in the basin will be upgraded to support future economic development.

Infrastructure at Middle Arm will include a new common user wharf and landside facilities, roads and product corridors, services to the wharf and a new modular offload facility.

MAJOR PLANNING PROJECTS ON STUART HIGHWAY CONCLUDED

This year, concept designs for three important upgrades to the Stuart Highway were concluded including:

- Pinelands: improving road safety and access to Pinelands and Holtze, particularly for heavy vehicles
- Coolalinga: improving road safety, accessibility and allows for future growth in the area, and
- Alice Springs, Schwarz Crescent intersection: improving safety by realigning Schwarz Crescent, and providing a safe and reliable crossing of the Stuart Highway for pedestrians, cyclists and motorists.

All three concept designs were shaped with considerable input from surrounding businesses, residents and stakeholders.

MANDORAH MARINE MASTERPLAN COMPLETED

A concept design for new marine facilities at Mandorah was completed. The design includes provision for access improvements for people with a disability through a gangway and floating pontoon and the construction of a breakwater structure/rock groynes to provide protection from swells.

Detailed design is underway which has involved further technical analysis, investigations and value engineering to refine the scope and maximise the

deliverables of the project.

CIVIL SERVICES

KEEP RIVER ROAD

Completed the construction of a new dual lane sealed road between the WA border and Legune Station boundary. Two bridges were also constructed across Keep River and Sandy Creek. Contract completion issued in November 2020.

WAGAIT TIP REHABILITATION

Located 117 kilometres away from Darwin by road the site was used as a residential waste tip from 1988-2015. Rehabilitation of the site was a key action in Kenbi Land Claim settlement arrangements. The Commonwealth Government's Department of Finance (DoF) and the Northern Territory Government's Department of Infrastructure Planning and Logistics (DIPL) committed to the removal of the waste and contaminated soil from the site and to restore the site to a public open space standard.

The remediation was completed in December 2020 and final sign off from the Environmental Auditor is still to come. The project achieved 65 per cent Aboriginal employment and 233 hours of Aboriginal training by the head contractor.

The project offered several unique opportunities for innovation such as:

- Real-time data capture and tracking via cloud computing using on-site wireless remote satellite connections.



- Drone technology to quantify stockpile volumes and deliver video capture of ongoing works for assessment by independent and interstate based Environmental Auditor.
- Use of barcode and mobile device scanning technology for sample logging, tracking and management to save time and expedite analysis and approval for disposal timeframes.
- Remote working and videoconferencing arrangements to manage COVID-19 travel restrictions, to enable continued communications with site team and key project stakeholders (DoF, DIPL, AECOM Environmental Auditor).

GIMBAT ROAD - KAMBOLGIE CREEK BRIDGE

Completed construction of a new 45 metre bridge and two culvert crossings to improve flood immunity and 1.4 kilometres of new sealed pavement improving access to Yurmikmik Walks and Motor Car Falls within Kakadu National Park. The road is predominantly used by park visitors, tourist operators, park vehicles and trucks servicing the roads and various park attractions.

The upgrade improved flood immunity at the crossing and approaches to a one in 50 year rain event. The reduction of the bend on the bridge approaches has improved road safety.

LITCHFIELD PARK ROAD

The project to seal the final 12 kilometre unsealed section of Litchfield Park Road and build a new bridge over the Lower Finniss River delivered multi-faceted benefits to advance Aboriginal and community development

in the surrounding region.

The upgrades provide greater confidence for year-round access to Litchfield National Park, one of the most loved destinations in the Territory for both visitors and locals alike, boosting visitation and foot traffic for local businesses, including Aboriginal enterprises. The project supported 27 Aboriginal employees including seven Aboriginal apprentices and trainees. The project maintained a strong Aboriginal engagement component that met or exceeded original targets in a constrained COVID-19 environment, including jobs and training, promoting cultural awareness and community engagement.

TRANSPORT SAFETY AND SERVICES

TAKATA AIRBAG RECALL

Transport Safety and Services continued to participate in the national Australian Competition and Consumer Commission (ACCC) coordinated compulsory vehicle recall campaign affecting vehicles fitted with faulty Takata airbag inflators. The Department implemented vehicle registration control measures (restricting re-registration) to 4 245 affected vehicles fitted with critical Takata airbags.

As at 30 June 2021, only one vehicle remains where the vehicle registration has been suspended due to applied sanctions.

Department officers have continued to actively liaise with registered vehicle owners to help hasten the repair rate of affected vehicles and have helped to escalate concerns with the ACCC on behalf of vehicle owners where needed.

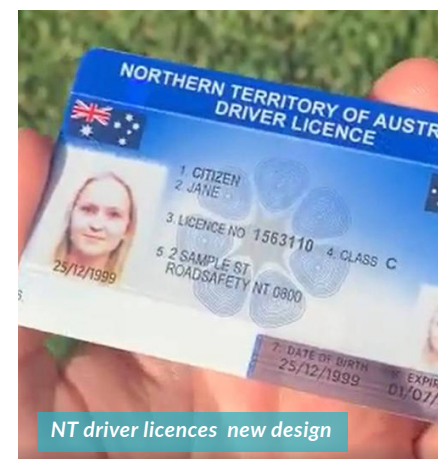
MVR FOR BUSINESS

Motor Vehicle Registry (MVR) successfully launched the MVR for Business portal in October 2020, which aims to cut red tape and reduce the burden of regulatory compliance through a digital self-service channel for the Territory business sector.

MVR for Business enables vehicle fleet operators, authorised inspectors and licensed motor vehicle dealers increased access to various registration transactions 24 hours a day, seven days a week. As at 30 June 2021, 475 users have completed 56 525 transactions through MVR for Business.

CHANGES TO NT DRIVERS LICENCES AND PHOTOS ID CARDS

The new design Northern Territory driver licences and photo ID cards were implemented in November 2020. The new design meets the international identification card design standards based on a model for Australian driver licences developed by Austroads. The cards have enhanced security features making it difficult to replicate and tamper with, and thereby helping protect Territorians from identity theft and fraud.



TRANSPORT AND CIVIL SERVICES

LICENCE CHECK STATUS

In March 2021, a new online check service was introduced through the Northern Territory Government website which enables customers, driving examiners and employers to easily verify the status of a Northern Territory driver licence.

MARINE SAFETY

National Safe Boating Week (28 September to 2 October, 2020) campaign was organised by Marine Safety in the Northern Territory including local clubs, social media and news media channels. The marine safety team provided on water guidance and education to boat owners working collaboratively with the water police and the national maritime safety regulator.

The Darwin Buoy Mooring Standards were published in August 2020. The standards provide conditions for approval, maintenance and ongoing inspections of buoy moorings as required by the *Port Management Act 2015*. Mooring permits are issued for four years requiring mooring owners to maintain the moorings to the stipulated standard.

STRATEGY, POLICY AND LEGISLATION

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

The Department is currently providing oversight of the recently published Territory-Wide Logistics Master Plan. The purpose of the Master Plan is

to facilitate increasing freight and logistics connections and capacity that capture both international and domestic trade for the Northern Territory. Actions have been identified to address the following priority areas for the Northern Territory:

- Targeted Infrastructure Investment
- Integrated Logistics and Land Use Planning
- Supply Chain Positioning,
- Regulation and Safety Improvements.

These actions ensure that the Northern Territory can deliver resilient freight and logistics networks through long-term infrastructure planning and investment, and provide an evidence base for policy and regulatory framework development. The Master Plan was developed through extensive industry consultation and forms the Northern Territory's implementation plan for the National Freight and Supply Chain Strategy.

The Department continues to provide input into the National Strategy and associated Action Plan, which notes key priorities for the Northern Territory including

the Katherine Logistics and Agribusiness Hub, development of a Darwin Ship Lift Facility, a Remote Telecommunications Co-investment Program and a Northern Territory Airports Expansion Program. These projects are in addition to current national road programs in the Northern Territory including:

- Roads of Strategic Importance
- Northern Australia Road Program
- Northern Australia Beef Roads Program.

ELECTRIC VEHICLES STRATEGY

Following the release of an Electric Vehicle (EV) Discussion Paper in 2019, the Department has developed an electric vehicle strategy and implementation plan to address climate risk and create new economic and business opportunities. The introduction of lower cost EVs into Australia is expected to rapidly increase uptake. The EV Strategy has been developed to plan for this increased uptake and following industry and community feedback, focuses on priority areas such as vehicle costs and availability, vehicle charging, knowledge, skills and consumer information.





greenhouse gas emissions, support renewable energy targets, manage electricity demand and reduce transport costs. The EV Strategy supports other Government policies and programs, both existing and in development including the Roadmap to Renewables, the Northern Territory's energy target of 50 per cent renewables by 2030 and the Climate Change Response.

ROAD SAFETY

The Department continues to develop road safety policy and legislation to support the Road Safety Executive Group implement the Northern Territory's Towards Zero Road Safety Action Plan.

The Department has engaged with the National Office of Road Safety in developing the National Road Safety Strategy and associated Action Plan. Key priority areas to be addressed through the national strategy include Aboriginal people and remote road safety. Addressing these areas will be a key factor in reducing road trauma in the Northern Territory.

NATURAL DISASTERS AND DISABILITY ROYAL COMMISSIONS RESPONSES

The Department provided information for inclusion in the Northern Territory Government's response to two Royal Commissions:

- The Royal Commission into National Natural Disaster Arrangements (Bushfires Royal Commission). Information was provided in regard to land use planning laws, regulatory approvals, protection of

critical infrastructure, emergency management plans, industry preparedness, roads access and evacuations and opportunities for improvement. While the Territory was not severely impacted by the 2019-20 bushfires, some of the Department's written responses were provided based on its perspective and well-tested experience in dealing with natural disasters, including cyclone preparedness, evacuation and recovery efforts and COVID-19 response.

- The Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (Disability Royal Commission): the Department's response provided information on the history, funding and improvements over time for special needs student transport, which the Department has been providing since the 1980s.

MONITORING ACTIVE TRANSPORT

Since 2011 the Department has participated in annual visual bike counts to help plan and manage the Northern Territory's urban bike networks. The bike count is coordinated by Bicycle Network and is usually undertaken in northern Australia in September each year. In 2020-21 the Department moved from annual to biennial counts and also moved the bike count date from September to March in Alice Springs and Tennant Creek and July in Darwin, Palmerston and

Katherine. The Alice Springs and Tennant Creek survey in March 2021 indicated that:

- there were over 4 500 bike trips in Alice Springs, Tennant Creek, Darwin, Palmerston and Katherine during the two hour count period
- South Terrace recorded the highest number of riders
- at some count sites, more than 50 per cent of riders were female (much higher than the national average of 25 per cent).

The bike counts in Darwin, Palmerston and Katherine were undertaken in July 2021. The Northern Territory has also participated in the National Walking and Cycling Participation Survey, coordinated by Cycling and Walking Australian and New Zealand (CWANZ) in 2021. This national survey has been undertaken biennially since 2013 and initially focussed on cycling. In 2021, the survey has included walking for the first time and survey results are expected be available in the second half of the year. The Department also monitors levels of cycling through permanent bike counters on the shared paths near Daly Street and at Howard Springs. Monitoring the use of shared path networks assists in the management and development of shared path networks across the urban centres of the Northern Territory.

TRANSPORT AND CIVIL SERVICES

2021-22 PRIORITIES

TRANSPORT PLANNING

- Continue to deliver the Australian Government's Road Safety Stimulus program.
- Continue preparation of investment strategies for major road corridor upgrades.
- Commence transport modelling for the Greater Darwin Region to understand future road upgrade requirements and decisions.
- Commence a planning study to formalise the Weddell Freeway, a proposed new arterial link and strategic freight route that will save transportation cost, alleviate congestion on the existing routes and improve amenity in the urban areas.
- Continue land tenure negotiations to enable upgrade works at a number of remote barge landings, including Wadeye, Gapuwiyak, Ramingining and Galiwinku.
- Finalise the concept design for Berrimah Road Duplication.
- Finalise the concept design for Arnhem Highway Duplication between the Stuart Highway and Kostka Road.
- Continue work to support identification of preferred alignment of future gas corridor from Tennant Creek to Darwin.
- Continue geotechnical investigations to identify potential gravel sources

along Oenpelli Road, Carpentaria Highway, Barkley Highway, Port Keats Road and Central Arnhem Road to service future road maintenance and upgrades.

- Commence developments of a spatial database of mineral resource locations for use on road construction.
- Review the Standard Specification for Environmental Management.

CIVIL SERVICES

- Complete the Adelaide River Flood Plain Upgrade, to construct approximately 6.6 kilometres of new road alignment on the existing road corridor to a finished road level of approximately four metres above the floodplain, including a series of 13 single and multi-span bridge structures along the length of the floodplain.
- Commence the Arnhem Highway Beatrice Hill Intersection Upgrade.
- Commence the Tiger Brennan Drive and Berrimah Road Intersection Overpass.
- Commencement of Carpentaria Highway upgrades.
- Commence construction of safety upgrades on the Stuart Highway at Coolalinga.
- Commence a further 69 kilometres of extended sealing works from Yuendumu on the Tanami Road.

- Commence survey, design and planning activities for major upgrade and sealing works on Central Arnhem Road at Waterhouse Creek around Mountain Valley and at the Nhulunbuy end of the road.
- Commence sealing works between Wadeye and Palumpa on Port Keats Road.
- Complete the construction of Maryvale Road chainage 10 to 20 kilometres.

TRANSPORT SAFETY AND SERVICES

- Continue to prioritise and deliver actions identified in the Towards Zero Road Safety Action Plan.
- Commence the technical implementation of the National Facial Biometric Matching Capability.
- Commence the development and implementation of digital forms to replace manual payments processing.
- Finalise the regulation of bailment agreements for subleasing of taxi licences and agent agreements as part of a broader package aimed at ensuring greater industry transparency and protections.
- Install further electronic timetable totems in major bus stops and interchanges to enhance the customer's experience on the public bus network.



Plenty Highway upgrade

- Continue to support the remote bus program.
- Continue to expand service partnerships for the delivery of MVR services in regional and remote areas.
- Implement reforms to the Authorised Inspector scheme for roadworthy vehicle inspections facilitating mobile inspectors to deliver service in remote areas.
- Deliver Technical and Safety Standards for pilotage and the provision of pilotage services.

STRATEGY POLICY AND LEGISLATION

- Establish the Northern Territory Logistics Advisory Council.
- Finalise the Electric Vehicle Strategy and Implementation Plan.
- Deliver the Department's legislative reform program, including:
 - commence and support implementation of the *Transport Legislation Amendment Act 2020*
 - finalise and commence the *Transport Legislation Amendment Bill 2021*
 - finalise and commence the *Transport Amendment Regulations 2021*
 - identify and progress adoption in the Northern Territory of outstanding Australian Vehicle Standards Packages Amendments.
- Commence development of a new Road Safety Action Plan.
- Commence development of policy and implement legislation for the use of Personal Mobility Devices in the Northern Territory, including through community consultation.
- Continue to provide oversight of the implementation of the Territory-wide Logistics Master Plan and National Freight and Supply Chain Strategy.
- Support NT WorkSafe to develop a Road Transport Fatigue Management Guide.
- Finalise the NT Livestock Loading Scheme.
- Continue to participate in the national reform of driver laws and a safety assurance system for the safe development of automated vehicles.
- Continue to advocate the Territory's position in national transport reforms.

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

The Infrastructure, Investment and Contracts (IIC) Division is responsible for the planning, management and delivery of the Northern Territory's (NT) infrastructure program and strategic management and maintenance of NT Government assets.



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
- undertaking the annual update to the NT Infrastructure Plan
- partnering and collaborating with industry
- partnering with and providing strategic infrastructure advice to agencies
- maximising the infrastructure portfolio using principles of the strategic asset management
- developing staff through knowledge, experience and providing a safe workplace.

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, as well as demonstrate Value for Territory outcomes.

BUILDING SERVICES

The Building Services Branch provides a full suite of design, project management, maintenance planning and administration services to deliver the Capital Works, 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. This includes the Hospital Engineering Services teams that ensure the ongoing operation of essential engineering services at the six hospitals across the Northern Territory.

The branch includes a Design Office made up of professionals in the disciplines of architecture, electrical, 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.

ADAM WALDING

**Acting General Manager,
Infrastructure, Investment
and Contracts**

Adam has lived in the Northern Territory for over 25 years, and employed in the Northern Territory Public Service for 11 years. Adam worked for the Department of Health and the Department of Education before joining the Department of Infrastructure, Planning and Logistics. Adam has experience in facility and project management from both the government and private sectors, and holds a Master of Business Administration, is a graduate of the Company Directors course and is a qualified tradesman.



INFRASTRUCTURE PLANNING AND OPERATIONAL SUPPORT

The Infrastructure Planning and Operational Support (IPOS) branch provides central program governance to support agency service provisions that are outlined in agreed Partnering Agreements and Service Statements.

The IPOS branch includes the following units:

PORTFOLIO MANAGEMENT

The Portfolio Management unit provides the strategic interface between the Department and agencies to ensure constructive engagement and productive relationships for planning and provision of infrastructure services.

The Portfolio Management unit has three teams, each with allocated agency portfolios, who provide a first point of contact for agencies and are responsible for overseeing agency works programming and coordinating and developing agency correspondence, including monthly reports and formal responses.

Sitting with the Portfolio Management team is the Infrastructure Planning team who provide expert advice and contribute to the Department's Infrastructure Systems reform, including leading the development of Strategic Infrastructure Plans (SIPs) for agencies, to inform future infrastructure planning and investment decisions.

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) provides a risk control and audit function by ensuring appropriate management systems and controls are implemented by the Principal Contractor to fulfil the promises and commitments provided in the Tender Response Schedule. The unit also ensures these systems and controls 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.

The CCU assesses construction contract business management plans and implements audits to identify whether the contractor has the appropriate systems in place to deliver the works for the Department in an effective and low risk way.

The CCU supports the Department to achieve its obligations as a Person Conducting Business or Undertaking (PCBU) as designated under the *Work Health and Safety (NUL) Act 2011*, as well as verifying that construction contracts are undertaken in a way that ensures contractors comply with the Indigenous Participation on Construction Projects Policy, *Buy Local Plan* and other relevant NTG construction industry policies.

CONTRACTS UNIT

The Contracts unit is focused on facilitating better outcomes for contractors undertaking Government work. In conjunction with providing support and guidance to staff on complex contract management matters, the unit strives to ensure contract disputes are managed effectively and efficiently to maintain productive relationships between the principal, contractors and sub-contractors while preserving the Territory Government's reputation and minimising potential risks of exposure for all stakeholders.

INFRASTRUCTURE DEVELOPMENT AND SUPPORT SERVICES

The Infrastructure Development and Support Services unit consults with industry, private sector and other key stakeholders to develop the NT 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
- NT 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.

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

STRATEGIC ASSET MANAGEMENT

The Strategic Asset Management (SAM) branch is responsible for the strategic management of all NTG building assets including:

- developing and implementing the NTG Asset Management Framework including the associated policies, strategies, plans, systems and practices to protect the value of NTG built assets and ensure optimal return on investment is achieved
- monitoring and reporting on, and continuously improving, NT Government building infrastructure performance against Ecologically Sustainable Development targets
- optimising the lifecycle of all building assets through the implementation of contemporary asset maintenance programs and methodologies
- ensuring supporting agencies by there is a consistent and high level of compliance with asset management policy and applicable statutory requirements across the portfolio

- undertaking long-term strategic planning for building infrastructure for all agencies using service demand and demographics forecasts, and analysis of investment options
- ensuring the NTG is fully compliant with Northern Territory and Federal regulations for the management of asbestos.

ASSET MANAGEMENT STRATEGIC PLANNING

The Asset Management Strategic Planning unit is responsible for managing the strategic aspects of asset management, including:

- annual reviews of the Asset Management Strategy and Objectives to maintain compliance
- developing and regularly updating the Strategic Asset Plan for each NTG agency
- Asset Data Governance and Asset Information System Integration
- Asset Lifecycle Planning
- developing and maintaining minimum design standards, and maintenance specifications

- Environmental Sustainability
- supporting the wider division to continuously improve asset management practices.

ASSET MANAGEMENT OPERATIONS PLANNING

The Asset Management Operations Planning unit is responsible for managing the operational aspects of the asset management branch. This is achieved by translating the strategic asset management plans and objectives into detailed tactical plans for delivery by the Building Services Branch, including:

- statutory and preventative maintenance planning
- development of forward works programs for Planned Corrective (Specific) Maintenance and Minor New Works
- asset condition and criticality assessment and development of condition based maintenance programs for all assets
- asbestos compliance management.

Fast Facts

674 AGENCY ASSETS MANAGED

281 AGENCY ASSETS INSPECTED

THE DEPARTMENT MANAGED AN INFRASTRUCTURE PROGRAM OF

 **\$2.7 BILLION**

HAD A YEAR END EXPENDITURE OF

\$759 MILLION

INCLUSIVE OF CAPITAL GRANTS

and delivered an additional \$37 million in externally funded projects

PROVIDE GOVERNANCE SUPPORT TO

20 CLIENT AGENCIES TO ASSIST IN MAINTAINING AND MANAGING THEIR INFRASTRUCTURE ASSETS, INCLUDING:



SCHOOLS



HOSPITALS



HEALTH CLINICS



GOVERNMENT BUILDINGS



PARKS



COURTS



POLICE STATIONS



PROGRAM EXPENDITURE:

Repairs and Maintenance
\$149.2 million

Capital grants and infrastructure
related expenses \$18.9 million

Capital and minor works \$591 million



MANAGEMENT OF INFRASTRUCTURE
TO ESTABLISH A COVID-19
QUARANTINE FACILITY AT
MARRIGURR-MA (HOWARD SPRINGS)
WITH AN INITIAL CAPACITY TO
ACCOMMODATE UP TO

2000 PEOPLE

IMPLEMENTATION OF A

\$14 MILLION

DESIGN LIST PROGRAM OVER 3 YEARS TO FACILITATE
DESIGN OF FUTURE PROJECTS



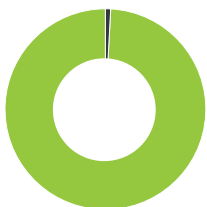
WORK, HEALTH AND SAFETY AUDITS
UNDERTAKEN AT

50 LOCATIONS

ACROSS THE NORTHERN TERRITORY

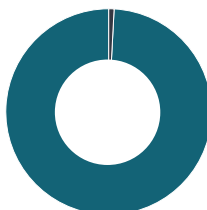
593

CONSTRUCTION
CONTRACTS
AWARDED BY THE
DEPARTMENT



LOCAL JOBS REMAIN A PRIORITY,
WITH 95.33% OF AWARDED VALUE
BEING RETAINED IN THE NORTHERN
TERRITORY REPRESENTING OVER

\$688 738 189



95.33%

WERE AWARDED TO
TERRITORY ENTERPRISES



COMMENCED
STRATEGIC ASSET
MANAGEMENT
PLANNING CLIENT
AGENCIES



ASBESTOS SURVEYS
COMPLETED FOR
ALMOST
100
ASSETS

- ASSET CONDITION ASSESSMENTS
PROGRESSING IN REMOTE COMMUNITIES
- ASSET MANAGEMENT POLICY
IMPLEMENTED
- STRATEGIC ASSET MANAGEMENT
FRAMEWORK APPROVED
- STRATEGIC ASSET PLANS ARE BEING
ESTABLISHED FOR CLIENT AGENCIES
- IMPLEMENTED NEW SUSTAINABLE
BUILDINGS POLICY, STRATEGY AND
MINIMUM DESIGN STANDARDS

2962

TENDER SUBMISSIONS



FACILITATED

418

DEBRIEFS TO PROVIDE
TENDERERS OPPORTUNITY
TO IMPROVE FUTURE
TENDER SCORES

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

2020–21 STRATEGIC OBJECTIVES

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

Actions

Regular discussions with industry on program requirements.

The Department of Infrastructure Planning and Logistics has completed the annual review of the NT Infrastructure Plan. The NT Infrastructure Plan has been aligned to reflect the Northern Territory Governments response to the Territory Economic Reconstruction Commission final report and Government priorities.

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

Continued working with asset management consultants to align the Department with ISO 5500x, including developing the Asset Management policy, strategies and plans.

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.

Long-term planning that integrates community needs with industry best practice. The Department now publishes upcoming projects on the internet to ensure visibility of industry. This is in addition to the Future Tender Opportunities on the whole of Government tender site Quatations and Tenders Online.

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.

Implemented enhanced condition assessment process as part of uptake of strategic asset management.

Completed \$5.5 million transportable classrooms across the Territory.

Completed \$8.6 million Berrimah Farm new field laboratory.

Completed \$13 million Department of Health Office fitout.

Completed \$19.3 million Zuccoli Primary School Stage Two.

Completed demolition of the Chan Building within State Square Precinct and undertook site remediation and landscaping works.

The following major infrastructure projects will continue to be delivered:

- Continuing to construct and redevelop contemporary Youth Justice Centres - \$68.2 million.

- Progressing this Government's vision to have a National Aboriginal Art Gallery in Alice Springs - \$47.9 million.
- Continuing to enhance recreational fishing infrastructure across the Territory with an investment of \$50 million to support our local Territorians and the tourism industry.
- Continuing to expand and upgrade Royal Darwin Hospital's mental health inpatient unit - \$32.5 million.
- Establishing a mental health stabilisation assessment and referral area at Royal Darwin Hospital - \$7.5 million.
- Constructing a new Australian Government funded ambulatory care centre at Alice Springs Hospital - \$25.7 million.
- Continuing extensions to art galleries in Arnhem Land, Katherine and Tennant Creek to create an iconic Territory Arts Trail experience - \$30 million.



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

Actions

Continuing construction on the new Palmerston regional fire, rescue and emergency services complex - \$25 million. This public infrastructure will provide the best resources to deal with our fire season to keep our community safe.

Continuing works to upgrade Berrimah Farm, including new laboratory facilities and modern infrastructure - \$27.17 million.

Continuing construction of the multi-storey carpark at Alice Springs Hospital - \$14.13 million. Providing the much needed additional on-site car parking for staff and public.

Undertaking fit-out work of facilities to support youth diversion programs - \$10.4 million.

Continuing to provide transportable classrooms for better learning environments for students and teachers, to support enrolment peaks - \$11.4 million.

Continuing to deliver on *Darwin City Revitalisation* – the \$200 million plus, 10 year City Deal in line with the Civic and State Square Masterplan with the following projects continuing in 2021-22:

- Completed Stage one of the State Square Master Plan (with a budget of \$13 million), which included a native nature garden, landscaping around the underground carpark and Chan Building demolition.
- Recent contract was awarded to remove the 90 bay parliamentary carpark and revitalise this space with landscaping with completion anticipated late 2021 - \$1.8 million.
- The \$47 million State Square Art Gallery will see the design completed in 2021 with an Early Contractor Involvement construction tender advertised in the second half of 2021.
- The \$30 million contribution in 2021-22 will fund detailed design of the Civic and State Square masterplan and works to complement the State Square Art Gallery including construction of the Precinct Central Heart.

Delivered an expenditure of \$759 million on the infrastructure program.

Promote the Government's infrastructure priorities and achievements as outlined in the NT Infrastructure Plan.

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

Review and informed project management staff and consultants of processes and procedures in place within the agency to standardise documentation and storage of information.

Review the Contractor Performance Scorecard.

Continue to provide advice and guidance to duty holders to raise awareness of rights and obligations to help them comply with work health and safety laws and build their capability to achieve compliance.

Successfully implement new online process for developing forward works programs for repairs and maintenance and minor new works.

Commence improvements to the Unforeseen and Specific Maintenance processes, as part of implementation of strategic asset management.

Commenced development of three year condition based maintenance program.

Support the local economy, jobs and construction through *Value for Territory* procurement processes, including Local Content requirements.

Awarded 593 contracts valued at \$688 million to sustain the pipeline of work to support the local community.

95.33 per cent to local businesses keeping jobs in the Territory for Territorians.

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

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

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

Actions

Introduce prefabricated panel to deliver modular systems to allow building construction works to continue offsite while land is being developed.

Develop a National Public Works Council period contract to reduce procurement timelines, provide contractor certainty, improve scheduling of smaller packages and improve Aboriginal training outcomes and economic development opportunities.

Maintain the rolling contract audit program to achieve work, health and safety audits (target 77 per cent) and Indigenous Development Plan audits (target 77 per cent).

Work with Department project managers and industry to educate, encourage and maintain compliance with local benefit commitment, Aboriginal engagement, work health and safety and project quality control.

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

Enhance the reporting capabilities across infrastructure projects to inform Government and agencies.

Introduce an online project management toolset to enhance project delivery, stage gate management and single touch reporting.

Continue review of DIPLs asset management systems to assess capability to deliver effective and ISO 5500 aligned asset management service to agencies.

Continue to work with industry to identify options for delivering more sustainable, compliant and contemporary asset maintenance services.

Update the NTG Asbestos Management Policy and Strategy and continue to collaborate with agencies to improve compliance with regulations and codes of practice and ensure agencies are aware of their obligations under the *Work Health & Safety Act* via the Inter-Agency Asbestos Management Committee.

Successfully deploy the Ecologically Sustainable Development policy and architectural minimum design standards for Government owned, including conformity with Section J of the National Construction Code for significant projects.

Continue development of Asbestos Management Plans for all NTG assets containing asbestos.

Establish forward works program for asbestos surveys to ensure all Government owned building assets are compliant with regulatory requirements.

Commence strategic asset management plans aligning the long term-plans for the asset portfolio with agency business requirements and future demand.

Currently assessing criticality of all NTG building assets using new methodology and tool for Asset Criticality rating.

Ongoing asbestos surveys.

Transfer NTG building asbestos registers to a central database, and worked with contractor to develop new and simplified search function for users.

Deliver asbestos management training to DIPL project staff.

Provide strategic procurement actions to increase Aboriginal employment in delivering infrastructure projects.

Introduce 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

Develop a comprehensive change plan to effectively manage business improvements, capability enhanced and cultural change within the division.

Deliver a number of capability enhancing information sessions across regions on topics including conflict of interest, change management procurement, project to contract managers.

Contractor and Compliance Unit reviewed the Audit Charter to align with the Department's Enterprise Risk Management Framework. The risk appetite Contractor Compliance Unit continued providing support to Department project managers by attending construction start-up meetings to discuss the assessment of project management plans and the audit program.

Improve the Audit Calendar to send invitations to Department project managers enabling them to attend audits on their projects.

Contractor Compliance Unit published resources in the intranet and internet to guide and support project managers and contractors.

Ensure our worksites and working arrangements prioritise the health and safety of our staff and any risks are identified and effectively managed.

Utilise industry resources to help project manage delivery of a peak infrastructure spend.

Develop work instructions.

Workshop process mapping.

Continue building asset management competency across the agency, including delivering relevant training and development programs and courses.

INFRASTRUCTURE, INVESTMENT AND CONTRACTS KEY PERFORMANCE INDICATORS

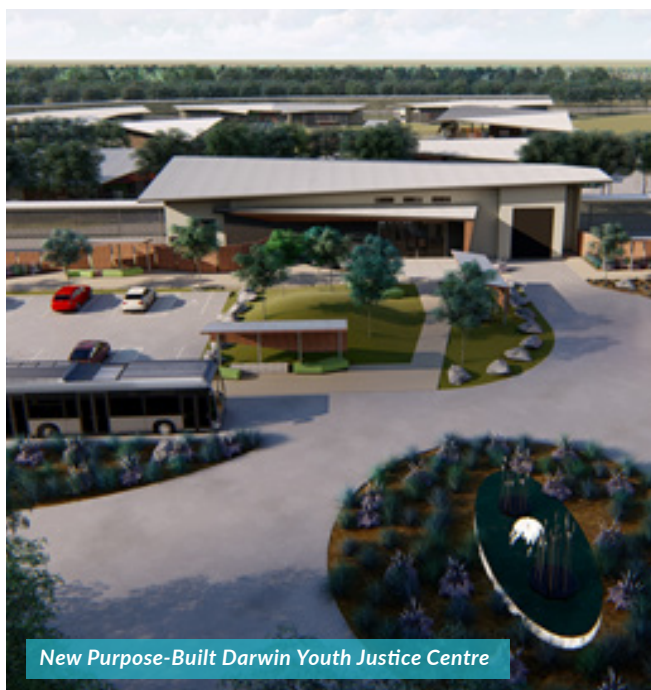
| Key Performance Indicator | 2019-20 Actual | 2020-21 Estimate | 2020-21 Actual | 2021-22 Budget |
|---|-------------------|---------------------|-------------------|-------------------|
| Infrastructure, Investment and Contracts | | | | |
| Average days to award tender | 34 | 30 | 43 | 30 |
| Award construction contracts to local enterprises | 99% | 97% | 100% | 97% |
| Building assets inspected | 29% | 33% | 33% | 33% |
| Work, Health and Safety Management Plan Audits ¹ | 98% | 77% | 91% | 77% |
| Indigenous Development Plan Audits ¹ | 87% | 77% | 90% | 77% |

¹ The KPI is benchmarked against a total population of 198 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 one contract audited.

Highlights and Achievements

YOUTH JUSTICE CENTRES

Construction of a new purpose-built Darwin Youth Justice Centre and redevelopment of the Alice Springs Youth Detention Centre has commenced with the projects supporting more than 400 local Territory jobs during delivery. These major construction projects will create local jobs, support local business and boost the Northern Territory economy.



NEW PURPOSE-BUILT DARWIN YOUTH JUSTICE CENTRES

Local company Halikos Pty Ltd was awarded a \$55.1 million (GST inclusive) construction contract for the development of the new Youth Justice Centre in Darwin.

The purpose-built facility is being constructed on a greenfield site at 498 Taylor Road, Holtze and is strategically located in close proximity to police, emergency services and health services.

Construction works began late July 2020 and construction completion is expected late 2022. Operational commissioning of the facility will continue after this date.

REFURBISHMENT OF ALICE SPRINGS YOUTH DETENTION CENTRE

Local Alice Springs company Asbuild NT has been awarded the \$13.1 million (GST inclusive) construction contract for the redevelopment of the Alice Springs Youth Detention Centre.



The redevelopment project includes:

- new program delivery spaces for service providers to deliver crucial programs
- new medical and health area
- advanced security including perimeter monitoring through CCTV
- new recreation field to engage young people in sports
- redeveloped and new accommodation areas
- new reception area and education facility
- landscaping and carpark.

Construction works are tracking for completion by mid-2022. Operational commissioning of the facility will continue after this date.





New campgrounds, Central Valley

LITCHFIELD'S CENTRAL VALLEY

Territorians and tourists can explore brand new areas of Litchfield National Park, with some Central Valley campsites open.

Work on the highly-anticipated \$17.5 million Turbo Charging Tourism project is progressing well, with 10 campsites in the northern section of the development now open. The area will allow campers and visitors direct access to swim in and enjoy the spring-fed creeks.

Construction of Stage Three of the project is complete, which includes building:

- 10 campsites within campground one, with drop toilets and an information shelter
- a 4WD access track
- a loop road to the campsites.

The campsites are just one part of this exciting project, which will open up more visitor experiences for people travelling through Litchfield National Park.

Stage Four will also include the construction of two additional campgrounds and two

recreational areas, which can fit around 60 people and are expected to be completed by the end of the dry season.

Stage Five will commence in May 2021, which includes the construction of bike and walk trails connecting Lost City, Central Valley and Litchfield Park Road.

Once complete, Central Valley will add 32 new campsites across three separate campgrounds to Litchfield National Park.

The project has supported more than 96 jobs during construction so far.

PALMERSTON REGIONAL FIRE, RESCUE AND EMERGENCY SERVICES COMPLEX

Early site works have commenced for construction of the new Palmerston Regional Fire, Rescue and Emergency Services Complex.

The \$25 million complex is strategically located on Howard Springs Road, providing emergency services workers with new and modern facilities, while ensuring they can respond to emergencies quickly.

The complex will be home to station firefighters and the Palmerston Northern Territory Emergency Services Volunteers Unit, ensuring residents of Palmerston and the rural area a modern facility that meets the growing community's needs for decades to come.

Featuring more room for larger equipment, the new complex will have increased capacity for:

- larger crew numbers on extreme fire danger days
- operation and meeting rooms
- training area
- breathing apparatus room
- workshop and communications tower.

ZUCCOLI PRIMARY SCHOOL STAGE TWO COMPLETION

Construction of the second stage of the new Zuccoli Primary School in Palmerston was completed in early January, in time for students returning to school in Term One, 2021.



Palmerston Regional Fire, Rescue and Emergency Services Complex concept image

INFRASTRUCTURE, INVESTMENT AND CONTRACTS



New shared sports oval

Zuccoli Primary School is now equipped with the capacity to deliver high-quality education services to more than 430 students and sharing of facilities with the adjoining Mother Teresa Catholic School. In a first for the Northern Territory, the development sees both the Government school and neighbouring Catholic school benefit from the state-of-the-art facilities via a shared services model.

Stage One of the Zuccoli Primary School project included:

- a preschool with a capacity of up to 88 students
- an administration building
- eight primary school classrooms with the capacity for more than 200 students.

Stage Two of the build includes:

- shared facilities (science, home economics, kitchen garden, canteen, music, multi-purpose hall and Outside School Hours Care Centre)
- a new shared sports oval
- a library building with student support spaces
- an additional eight classrooms.

Stage Two of the new school is being fast-tracked by two years to support the significant residential growth in young families in Palmerston.

90 BAY PARLIAMENTARY CARPARK DESIGNS RELEASED

The Civic and State Square Masterplan is a critical part of the historic Darwin City Deal, delivered in partnership with the Australian Government and the City of Darwin.

A contract for works to redevelop the heat generating 90 Bay Parliamentary Carpark within State Square, was awarded in June 2021. The 90 Bay Parliamentary Carpark

redevelopment will include the removal of the existing carpark surface, reorientating Parliament Lane to enter and exit from the Esplanade and landscaping that aesthetically complements the Native Landscape Garden atop the State Square Underground Carpark.

The redevelopment will include a generous lawn area and services infrastructure, to accommodate community events and activities such as local festivals.

Pathways will connect Civic and State Square and the Underground Carpark garden to the Esplanade, with shade from tree canopies where possible. Elements such as planting, lighting, furniture and finishes will be seamlessly integrated into the landscaping design.

Other State Square works completed include the demolition of the Chan Building, with the area grassed and opened in July 2021.



90 Bay car park concept images



90 Bay car park concept images



NEW CLASSROOMS UNDER CONSTRUCTION

Remote schools and students with additional needs will benefit from a \$6 million project to build 15 new classrooms.

The Northern Territory Government has awarded four contracts to Territory businesses to deliver the modular classrooms to eight schools.

These packages of works form part of the Territory Labor Government's \$11 million classroom stimulus program, announced last year.

The new classrooms provide high-quality educational spaces with good acoustic qualities and state-of-the-art IT connectivity.

Schools that will benefit from these new classrooms are:

- Alekerenge - three new classrooms
- Newcastle Waters - one new classroom
- Gapuwiyak - two new classrooms
- Neutral Junction - one new classroom
- Ngukurr - two new classrooms
- Woodroffe Primary - three new classrooms
- Nightcliff Primary (includes one new classroom for Namarluk Annexe) - two new classrooms.

Another site will be announced following consultation with the community.

Classrooms at Nightcliff Primary School and Woodroffe Primary School are for students with additional needs.

The new classrooms will, in most cases, replace aged infrastructure and the stimulus includes a modest allowance for the demolition of current buildings.

The buildings commenced being rolled out to schools from June, and will continue through the later part of 2021.

JABIRU FUTURES REDEVELOPMENT

The Department of Infrastructure, Planning and Logistics in collaboration with the Department of Chief Minister and Cabinet is delivering a number of strategic infrastructure projects as part of the \$135.5 million commitment to repurpose the Jabiru township.

The Jabiru Futures Redevelopment will include upgrades to local infrastructure, a new power station, a Government services hub, a new health centre, renal unit and morgue, a designated education precinct, and a new cultural resource centre.

A contract to design the Jabiru Health Centre was awarded in March 2021 with design anticipated to be complete late 2021 with planning on track to commence construction in early 2022.

STRATEGIC ASSET MANAGEMENT (SAM)

- New processes for development of repairs and maintenance and minor new works programs successfully implemented.
- New processes and methodologies developed for assessment of asset

condition, and asset criticality.

- Asbestos registers for NTG building assets transferred to new central database with simplified search capabilities.
- Asset management training delivered.
- Established Asset Management Framework and governance ensuring sustainable and maximum value from the asset portfolio.
- Workshopped and designed new Unforeseen Maintenance Request process to simplify the process, aiming for rollout 2021-22.
- Trialed new software for asset inspection and lifecycle cost estimation.
- Deployed the new policy, strategy and minimum design standards environmental sustainability. Implementation across DIPL continuing.

INFRASTRUCTURE, PLANNING AND OPERATIONAL SUPPORT UNIT

- Established a Statement of Services description for non-Partnering Agreement NTG agencies to ensure consistent and strategic delivery of infrastructure asset management, infrastructure investment planning, works programming and delivery of works programs.
- Established a COVID-19 Contract Management Review Panel (CCMRP), in response to COVID-19's interruptions to supply chains and the flow on impact to contractors and their ability to deliver goods

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

and services. The unit prepared and reviewed a range of supporting documentation and submissions for the CCMRP, including: contract management work instructions, flow charts, advice regarding jurisdictional issues, and Terms of Reference.

- Completed the annual review of the NT Infrastructure Plan ready for release early 2021/22.
- Drafted the NT Infrastructure Plan 2021 to align with the Territory Economic Reconstruction Commission recommendations.
- Published Construction Snapshot in July and October 2020 and January and April 2021.
- Updated the Project Management Office website to include developed work instructions for asbestos, contractor compliance, performance monitoring,

document naming and storage standards for all construction projects.

- Enhanced the IAM-NT (disaster management) website and mobile application to include streamlined recovery management activities that are delivered by industry.
- Audit Charter for the Contractor Compliance Unit was reviewed to align with the Department's Enterprise Risk Management Framework and risk appetite.

PROCUREMENT

Buy Local Assurance Program VFT audits results

The fifth Assurance Program audit confirmed the Department demonstrated a satisfactory level of compliance and delivered Value for Territory between 1 January 2019 and 31 December 2019.

The report noted the substantial reduction in non-compliance rates and the testing of significantly more than the minimum mandatory number of samples.

Value for Territory changes and reform

The Department undertook a trial to release tender scores while debriefing tenderers to increase transparency of the assessment process. The 12-month trial ran between 1 July 2019 and 30 June 2020. DIPL now provides final weighted scores at tender debrief for Tier 3-5 contracts - increasing transparency and improving future submission.

The Department also introduced normalisation of non-price assessment criteria from 1 July 2020 for all procurements, to be consistent with all of the Government agencies.

2021-22 PRIORITIES

- Manage and deliver the Northern Territory Government's extensive infrastructure program, from capital works to minor new works and repairs maintenance.
- Embed a centralised model for infrastructure planning, management and delivery across the Northern Territory Public Sector to support organisational efficiency and strategic alignment.
- Continue process alignment with the Northern Territory Government Strategic Asset Management Framework to integrate strategic

asset planning with the NT Infrastructure Plan, forward works, design list and capital works, minor new works and repairs and maintenance programming.

- Bring forward design of projects to create "shovel ready" projects for construction.
- Continue to deliver the new Darwin Youth Justice Centre and Alice Springs Youth Justice Centre Redevelopment.
- Continue to deliver the \$135.5 million of Australian and Northern Territory Government funding committed to redeveloping Jabiru. New development includes tourism, community and Government

services facilities and essential services infrastructure including a new power station.

- Continue to deliver the construction of a new \$25 million Palmerston Regional Fire, Rescue and Emergency Services complex that includes 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 comprise a two level building with operational spaces and emergency services training areas.
- Continue to design and deliver mental health inpatient facilities at Royal Darwin Hospital to



meet clinical services plans and required safety improvements. Work with key stakeholders to prioritise mental health facilities inpatient enhancements as part of the National Health Reform announcement that the Northern Territory will receive \$40 million of Northern Territory and Australian Government funding.

- Continue delivering key infrastructure projects as part of the Darwin City Deals initiative, including:
 - continue design of future stages of the Civic and State Square Masterplan
 - commence construction of the State Square Art Gallery.
- Further investment in Strategic Asset Management.
- Embed environmental sustainability into all new building designs, including conformance with Section J of the National Construction

Code, and the use of renewable energy where practical and cost effective.

- Continue developing Strategic Asset Plans for NTG Asset Owners aligning infrastructure strategy with long-term business objectives and future demand.
- Continue to undertake asbestos surveys.
- Develop a three year asbestos survey program for the NTG asset portfolio.
- In partnership with the Department of Chief Minister and Cabinet, East Arnhem Regional Council, and the Northern Land Council, implement the recommendations contained in The Galiwin'ku Plan for the Management of Asbestos – A Whole of Community Approach.
- Review sustainability aspects of building mechanical minimum design standards.

- Continue to work with the Department of Industry, Tourism and Trade to develop and implement a new Aboriginal Contracting Framework to improve opportunities for Aboriginal Territorians and local industry to participate in the delivery of 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 Government on infrastructure works is retained within the Northern Territory.
- Continue with the amalgamation of Territory Housing into the Department and continual improvement, review the Project Management Office (PMO) function to ensure that it supports the Department's project activities consistently and in accordance with NTG expectations.



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 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 and providing development control processes under the *Planning Act 1999*. The Planning unit supports the community's needs, sustainable economic development and the future growth of the Northern Territory.

The Planning unit's professional staff are supported by administration officers that provide customer service, compliance, secretariat and community engagement support.

The work unit offers an integrated approach to statutory and strategic planning and provides the following services to 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 land planning development for the Northern Territory by developing strategic plans and policies so Government can meet current and emerging needs for land and infrastructure.

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. This includes 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 689 Crown leases and special purposes leases including 166 through the Alice Springs southern region office and 93 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.

Crown Land Estate also works in consultation with the Department of the Chief Minister and Cabinet, the Department of the Attorney-General and Justice and other Northern Territory Government Departments to progress and resolve historic Aboriginal land claims under the *Aboriginal Land Rights (NT) Act*

(ALRA) 1976. It provides tenure histories to assist in resolution of claims under the *Native Title Act 1993*, assists in fulfilling the Territory's obligations under Indigenous Land Use Agreements and processes Community Living Area applications.

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:

- supporting the Northern Territory Planning Commission (NTPC) 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 supply of serviced Crown land and private land in accordance with 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
- implementing the recommendations of the Darwin, Katherine and Alice Springs Flood Mitigation Advisory Committees to mitigate the impact of flooding across the Northern Territory
- planning for the future use of Middle Arm as it relates to land use infrastructure and planning

- 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 for 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, professional and technical staff and provides the following services to 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.

LAND

LANDS AND PLANNING

INFORMATION AND SPATIAL ANALYTICS GROUP

The Land Information and Spatial Analytics Group provides geospatial, survey 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.

The group uses innovative technology and processes to deliver land information and geospatial data online through 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 group employs a range of administrative, professional and technical staff across the following four functional areas:

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

- **Survey Services** – 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 group also provides support to the Place Names Committee.

Fast Facts



1027
POOL INSPECTIONS
UNDERTAKEN

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



7 CROWN LAND RELEASE DEVELOPMENT AGREEMENTS ACROSS THE TERRITORY TO ENABLE THE CONTINUED PROVISION OF TITLED RESIDENTIAL LOTS TO THE MARKET



5 CROWN LEASES GRANTED TO SUPPORT ECONOMIC DEVELOPMENT AND DELIVER COMMUNITY INFRASTRUCTURE



11 138
BUILDING APPROVALS
LODGED IN 2020-21



56% DIGITISATION OF BUILDING FILES



580 PLANNING APPLICATIONS PROCESSED IN 2020-21



PROCESSED **3148** IMAGES FROM ELEVEN NEW DRONE PROJECTS TO DELIVER HIGHLY ACCURATE 3D MODELS AND ORTHOMOSAIC IMAGES



2020–21 STRATEGIC OBJECTIVES

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

Actions

Completed Phase One Planning Reform with the commencement of the *Planning Act 1999* (as amended) alongside the *Planning Regulations 2020* (as amended) and the *NT Planning Scheme 2020*.

Introduced the Central Palmerston Area Plan into the NT Planning Scheme.

Completed the Northern Territory Planning Commission land use planning and public consultation process for the Litchfield Subregional Land Use Plan update for Gunn Point.

Continued to support the Northern Territory Planning Commission through professional planning and stakeholder engagement to progress the Designing Better project.

Completed amendments to the NT Planning Scheme to allow fully compliant dwellings defined 'dwelling – group' or 'dwelling – multiple' to be developed without consent in major remote towns.

Completed amendments to the NT Planning Scheme to introduce new overlay 3.11 (RCFR – Rapid Creek Flood Response).

Continued preliminary investigations to support the future development of Weddell and Cox Peninsula.

Continued planning to deliver serviced land to meet the needs of the community and industry in the Greater Darwin region, Katherine, Tennant Creek and Alice Springs.

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 Middle Arm Sustainable Development Precinct.

Progressed infrastructure design and land acquisition to support the development of the Katherine Logistics and Agribusiness Hub and the Katherine East Neighbourhood Centre.

Continued investigating and designing infrastructure to support development at Berrimah North.

Further developed the concept design for headworks and subdivision infrastructure design to support land development in Kalkarindji and Ti Tree.

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

PRIORITY: Deliver innovative, well-regulated and sustainable services

Actions

Progressed Planning Reform initiatives including changes to the *Planning Act 1999*, the *Planning Regulations 2000*, Northern Territory Planning Scheme 2020, online information systems and administrative processes.

Granted five Crown leases to support economic development and deliver community infrastructure.

Accepted six new applications for grant of Crown land.

Processed 46 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.

LANDS AND PLANNING

PRIORITY: Deliver innovative, well-regulated and sustainable services

Actions

Completed a new Weed Management Strategy and Darwin Regional Weed Management Plan for vacant Crown land and progressed a review of the Alice Springs and Katherine Weed Management Plans.

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

Progressed or resolved 14 native title claims and/or agreements, including providing tenure history and advice for consent determinations of native title over pastoral leases, and implementation of Indigenous Land Use Agreements.

Continued to support the Place Names Committee to develop enhancements to Aboriginal place naming in the Northern Territory. This included convening an Aboriginal Place Names Engagement Working Group to develop an engagement framework to guide all stakeholders during preparation and consideration of place naming requests.

Reviewed and implemented improvements to the information and decision-making framework for NT place naming requests, including publication of new guidelines and enhanced web content.

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 Darwin, Darwin Waterfront Precinct, Palmerston, Charles Darwin National Park, Berrimah Farm, East Arm, Wishart and part of Tivendale (known as Area A of the *Northern Territory Rates Act 1971*).

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, including implementation of a revised pastoral land valuation methodology.

Contributed to strategic national policy and cross-jurisdictional work programs through the Australia New Zealand Land Information Council, the InterGovernmental Committee on Surveying and Mapping and various working groups.

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.

Consulted with the building and construction industry and broader community on priority reforms to the NT Building Regulatory Framework, including:

- establishing continuing professional development for building practitioners
- creating a new category of registration for commercial builders
- establishing a third party peer review of the structural design of complex buildings.

Progressed work on the Infrastructure Contribution Guidelines to facilitate appropriate development of private land in accordance with the NT Planning Commission's Area Plans.

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 ability for all application types to be lodged electronically, enhancement to the information about proposals that is available to the public and enhanced reporting functions.

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



LANDS AND PLANNING KEY PERFORMANCE INDICATORS

| Key Performance Indicator | 2019-20 Actual | 2020-21 Budget | 2020-21 Estimate | 2020-21 Actual | 2021-22 Budget |
|--|-------------------|-------------------|---------------------|-------------------|-------------------|
| Average processing time for development applications (No. of days) | 54 | 55 | 55 | 54 | 55 |
| Proportion of projects progressed under the land development program to support economic development and community needs | 90% | 90% | 90% | 90% | 90% |
| Major land use and urban planning projects undertaken to cater for future growth | 15 | 13 | 13 | 13 | 13 |
| Building practitioners audited (Refers to practitioners registered under the <i>Building Act 1993</i>) ¹ | 63 | 50 | 55 | 50 | 65 |
| Investigated complaints finalised ² | 124 | 100 | 100 | 112 | 110 |
| Swimming pool safety barrier inspections undertaken within three weeks | 100% | 90% | 100% | 100% | 100% |
| Availability of access to the NT Land Information Systems (NTLIS) environment meets defined standard | 100% | 99% | 99% | 100% | 99% |
| Survey plans approved in six working days | 94% | 90% | 90% | 100% | 90% |
| Aerial photography and mapping projects acquired in accordance with established refresh cycle ³ | 93% | 95% | 95% | 0% | 95% |
| Native title, land claim and Aboriginal land issues progressed or resolved | 25 | 24 | 24 | 24 | 24 |
| Northern Territory Planning Commission Integrated strategic plans progressed | 8 | 9 | 9 | 9 | 9 |

1. Refers to practitioners registered under the *Building Act 1993*. Increase reflects additional emphasis on the auditing function to support building reforms.
2. Completed investigations include those dismissed, completed or referred to the Building Practitioners Board or the courts. Increase reflects an adjustment to KPIs to support building reforms.
3. COVID-19 related travel restrictions resulted in the 20/21 aerial photography and mapping program being deferred until 21/22.

Highlights and Achievements

REVIEW OF BUILDING REGULATORY FRAMEWORK

The Department is progressing priority reforms to restore confidence in the local building industry whilst ensuring safety and amenity meets community expectations.

Priority key reform areas for the NT that are progressing include the following:

1. establishing a framework for continuing professional development (CPD) for building practitioners
2. creating a new category of registration for commercial builders
3. establishing a third-party peer review of the structural design of complex buildings – including buildings above three storeys
4. increasing capacity to undertake physical audits on residential and other buildings
5. increasing civil penalties for disciplinary action taken by the Building Practitioners Board.

Targeted industry consultation on these key reform areas commenced on 4 March 2021 and closed on 1 April 2021.

The Building Advisory Committee (BAC) is progressing the detail of CPD, commercial builder registration and the third party review of complex buildings.

MIDDLE ARM SUSTAINABLE DEVELOPMENT PRECINCT

The Northern Territory Government released a Northern Territory Gas Strategy that included

a five point plan that identifies the Middle Arm Peninsula as the location for gas and strategic minerals development.

The Department has been assisting the Gas Taskforce establish a gas-based processing and manufacturing site at the Middle Arm Sustainable Development Precinct (SDP).

Planning and infrastructure investigations are underway to:

- prepare a precinct plan that will guide the planning and development of the Middle Arm SDP
- prepare an infrastructure masterplan for the marine and land based infrastructure necessary to support development
- undertake the necessary investigations to support an environmental strategic proposal to address the potential economic impacts from the Middle Arm SDP
- prepare a delivery strategy and business case to seek funding to develop the Middle Arm SDP.

REFORM OF CROWN LAND LICENCES TO STREAMLINE AND IMPROVE BUSINESS CERTAINTY

The *Crown Lands Act 1992* provides for a number of different licence types including grazing licences, occupation licences, miscellaneous licences, licences in respect to supply of services and licences in respect to reserved land. Each type of licence has different application processes, fees

(e.g. some have a statutory application fee), terms and conditions, lengths, renewal requirements and other differences, which create confusion and potential inconsistency for businesses.

The most used form of licence under the Act, an occupation licence, currently cannot be issued for more than five years. This limitation can result in a lack of certainty for businesses operating under such a licence.

In 2021, in line with recommendations from the Territory Economic Reconstruction Commission to make business easier in the Territory, the Department commenced a reform of Crown land licences. This included amending the *Crown Lands Act 1992* to provide for the grant of a single, consistent Crown land licence that can be granted for longer periods and to develop a Licences of Crown Land Policy to simplify and streamline licensing processes.

This creates greater certainty and consistency for businesses and other users of Crown land.

FOR COVID-19 SPATIAL SERVICES AND MAPPING

Supporting the Northern Territory COVID-19 response, the Land Information and Spatial Analytics Group provided detailed advice to assist in the description and depiction of Declared Biosecurity Areas. This included developing corresponding layers of spatial data for use in various Government systems and maps and, through a number of declared iterations,



updating this in real time. The group also produced an online public interactive map showing declared hotspots across Australia. This map has been viewed over 7.5 million times and has become the primary source of truth for the public.

PLANNING REFORMS

The Northern Territory Government implemented reforms to the planning system in the Northern Territory to enhance transparency and integrity in Government.

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

On 31 July 2020, the *Planning Act 1999* (as amended) commenced, alongside the *Planning Regulations 2020* (as amended) and the *NT Planning Scheme 2020*. The commencement of these documents was the culmination of over three years of review, which involved consultation with over 1650 industry and community organisations or individuals.

The review resulted in an enhanced planning system with an improved focus on using strategic plans to improve decision making, better community consultation and stronger compliance and enforcement actions.

Another enhancement was the inclusion of provisions within the Act to 'future proof' the NT planning system to allow a move away from publishing planning advertisements in a hard copy newspaper, and instead allow advertisements to be published online at some time in the future.

The Territory Economic Reconstruction Commission (TERC)

noted that the requirement to publish notices in newspapers is a process that is over engineered and costly, and recommended that publication of notices be moved online to an NTG website.

The move to online advertising of planning notices was subsequently expedited and commenced on 22 January 2021. Notices are no longer being published in a hard copy newspaper.

In light of the savings achieved with online only advertising, notification fees have been reduced from 288 revenue units to 100 revenue units. This equates to a saving of \$227 for a development application and \$454 for an exceptional development application, planning scheme amendment or concurrent application.

Other improvements to the notification system which have been introduced as part of the reform of the planning system include:

- significant enhancements to the information about proposals that is available via Development Applications Online
- the opportunities for all parties to register for email notification of proposals
- updated and additional online planning web pages that continue to evolve to enhance the information available to the public.

Further recommendations of the TERC report aligned to planning are being prioritised as the first component of the next phase of Planning Reform. The broader scope of Phase Two of Planning Reform will be determined in consultation with industry and the community.

FLOOD MITIGATION

The Department is continuing to deliver flood mitigation projects in the Katherine Region in line with the Katherine Flood Mitigation Advisory Committee.

These works include, structural mitigation measures of levees in Katherine north and Katherine south and providing headworks to provide commercial and future residential land outside of the flood zone within the Katherine East Neighbourhood Centre (KENC).

The Department is delivering these works, in conjunction with the Australian Government, through the Regional Growth Fund.

ABORIGINAL PLACE NAMES

During 2020, a Place Names Engagement Framework Working Group was convened to develop a framework to guide stakeholder engagement during the place naming request and decision-making process. The Working Group is comprised of Northern Territory Government officials, industry and local Government representatives and Aboriginal Land Councils. The group met eight times (to 31 March 2021) and is finalising a draft engagement framework for release to a broader stakeholder group. When complete, the framework will be endorsed by the Place Names Committee and published on the Committee website.

2021-2022 PRIORITIES

PLANNING

- Timely processing of planning and development approvals.
- Support the Northern Territory Planning Commission to progress:
 - o a sub-regional land use plan for the Palmerston Environs
 - o a Northern Territory Strategic Directions Planning Policy
 - 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 completion of the land use planning framework for Gunn Point
 - o an area plan for Holtze/Kowandi North
- Continue land and infrastructure planning investigations to support the preparation of a sub-regional plan for Greater Weddell.
- Progress with implementing online systems and administrative processes to support Planning Reform initiatives.
- Provide professional advice to the Development Consent Authority, Northern Territory Planning Commission and Minister for Infrastructure, Planning and Logistics on development, exceptional development permits, planning scheme amendments and concurrent applications.

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.
- Progress the reform of Crown land licences and development of a Licences of Crown Land Policy.
- 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.
- Continue to manage development agreements for residential and industrial subdivisions at Zuccoli, Muirhead North, Humpty Doo, College Road, Northcrest, Katherine East and Kilgariff.
- Continue to produce tenure history reports for all pastoral leases programmed for consent determination of native title and develop a comprehensive database of historical land tenure in the Northern Territory.

- Continue to progress resolution of native title and to resolve historic outstanding land claims under the *Aboriginal Land Rights (NT) Act 1976*.
- Continue to progress applications for Aboriginal Community Living areas pursuant to Part 8 of the *Pastoral Land Act 1992*.

LAND DEVELOPMENT

- Continue investigations into the Middle Arm Sustainable Development Precinct.
- Support the review of land development processes to identify efficiencies that increase the rate of titled lot production.
- Progress the Infrastructure Development Contributions.
- Continue to progress planning to deliver industrial land in Alice Springs.
- Continue to support the Northern Territory Planning Commission strategic planning role through integrated land use and infrastructure planning.
- Continue planning and infrastructure investigations for the development of Holtze/Kowandi, with concept design for headworks to support a land release at Holtze.
- Continue to design infrastructure to support the Berrimah North Area Plan.
- Progress land and infrastructure, planning and development to support regional land release.
- Finalise the design of headworks and subdivision infrastructure to support



the Katherine Logistics and Agribusiness Hub.

- Progress the construction of the Katherine East Neighbourhood Centre.
- Continue undertaking the necessary work to implement the recommendations of the Katherine and Alice Springs Flood Mitigation Advisory Committees.
- Commence land and infrastructure investigations to support construction of a sewer gravity main from Coolalinga to Zuccoli.

BUILDING ADVISORY SERVICES

- Progress priority building reforms.
- Continue developing and implementing a reform agenda for the Northern Territory context that supports implementation of the national Building Confidence Report and enhances the Northern Territory building regulatory framework.
- Continue increasing access to building files online through a progressive file digitisation program, including in the Katherine and Alice Springs offices.

LAND INFORMATION AND SPATIAL ANALYTICS GROUP

- Continue supporting the Place Names Committee to develop and implement an enhanced, complementary Aboriginal place naming process and procedures.
- 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.
- Enhance the Place Names Register to include additional spatial information, audio and video capability.
- 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 Alice Springs, Local

Government Regional Council Area, Litchfield and the Pastoral Estate.

- Deliver NT Digital Twin capability for use within Government to focus on accelerating key projects.
- Produced online public interactive maps showing declared hotspots across Australia in response to COVID-19.

HOUSING PROGRAM OFFICE

The newly established Housing Program Office is responsible for all remote and urban housing infrastructure investment and construction, design management, delivery of essential services infrastructure and subdivisions, land tenure and remote lands planning and program delivery.



DWAYNE MCINNES

**General Manager,
Housing Program Office**

Dwayne's career as a senior public servant in the Northern Territory spans more than two decades. In this time, he has held a range of diverse positions including Chief Financial Officer, Executive Director of Corporate Services, Executive Director of Remote Housing, Senior Director Financial Management within the Department of Treasury and Finance, and the Deputy Chief Executive Officer for Remote Housing in the former Department of Local Government, Housing and Community Development.

This includes the delivery of the Northern Territory Government's flagship remote housing program, Our Community. Our Future. Our Homes. with the Territory's largest ever remote housing investment of \$1.1 billion over 10 years, covering 73 remote communities across the Northern Territory. The Housing Program Office is also responsible for the delivery of 78 new social housing units in the John Stokes Square in Nightcliff redevelopment.

The core functions of the Housing Program Office include:

- planning, design and delivery of new and upgraded homes and housing related infrastructure
- community consultation and Aboriginal Business Enterprise Development
- administering land tenure in remote communities for whole-of-Government.

CAPITAL PROGRAM DELIVERY

The Capital Program Delivery team delivers a range of capital works projects to support the development of land and other infrastructure. This includes construction services on behalf of the Department of Territory Families, Housing and Communities to deliver the following programs:

- Our Community. Our Future. Our Homes.
 - HomeBuild

- Government Employee Housing
- Room to Breathe.
- National Partnership for Remote Housing Northern Territory (NPRHNT)
- Urban Public Housing (NT funded)
- Land servicing to support the remote housing programs.

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

The team delivers a diverse range of infrastructure to various third parties, such as the Power and Water Corporation, National Broadband Network and local road authorities. The team delivers capital works projects such as 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.



PROGRAM PLANNING AND ENGAGEMENT

The Program Planning and Engagement team carries out planning of the remote housing delivery program, and undertakes community consultation on the Remote Housing Investment Package with local decision makers in the communities, such as Housing Reference Groups and Traditional Owners. Local Decision Making, as a key aspect of the Our Community. Our Future. Our Homes. program empowers communities with ownership of the type of replacement housing needed, where housing is built, when the program is delivered and employment opportunities.

STAKEHOLDER RELATIONS AND PROGRAM SUPPORT

The Stakeholder Relations and Program Support team comprises of the following units:

- Aboriginal Business Enterprise (ABE) Development and Community Engagement
- program support
- National Partnership for Remote Housing Northern Territory Governance.

The delivery of Our Community. Our Future. Our Homes. has adopted a new approach, underpinned by local decision making, to tackle the deficit of housing in remote communities.

The Community Engagement team is responsible for coordinating community visits to remote communities to promote local economic development and develop local skills to build and manage housing.

The process for community-wide engagement is driven by the Remote Engagement and Coordination Strategy, which is underpinned by the following

key values and principles:

- respect and integrity
- commitment
- accountability
- clarity
- inclusion
- working together.

Program Support has responsibility for managing the back office administration support for housing assets and program management for the delivery of the capital works, minor works and repairs and maintenance programs across the Territory.

The team is also responsible for the reporting and governance of the overall remote housing program, including obligations under the National Partnership for Remote Housing Northern Territory.

Fast Facts

IN 2020-21, A TOTAL OF \$69.9 MILLION WORTH OF WORKS WAS AWARDED TO ABEs, WITH A TOTAL OF \$152.9 MILLION AWARDED TO ABEs OVER THE LIFE OF THE PROGRAM. THIS REPRESENTS 47.9% OF ALL CONTRACTS.



DURING 2020-21, THE DEPARTMENT CONDUCTED 161 ENGAGEMENT VISITS ACROSS 66 COMMUNITIES. ENGAGING WITH 2361 PEOPLE[^].

AN AVERAGE OF 40.5% ABORIGINAL EMPLOYMENT WAS ACHIEVED FOR THE FINANCIAL YEAR.



ROOM TO BREATHE

106 HOMES COMPLETED
(104 BEDROOMS,
248 LIVING SPACES)



LAND SERVICING

SUBDIVISIONS: **190** UNDERWAY
INFILL LOTS: **116** COMPLETED



REMOTE COMMUNITY HOUSING
211 NEW HOMES COMPLETED
(641 BEDROOMS)



REMOTE HOUSING UPGRADES
76 UPGRADES COMPLETED

[^] This includes all Housing Program Office Consults, including Land Tenure

HOUSING PROGRAM OFFICE

2020–21 STRATEGIC OBJECTIVES

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

Actions

Partnered with Department of Territory Families, Housing and Communities and the Power and Water Corporation to identify the long-term land development needs to facilitate housing in remote communities.

Continued to engage with communities to provide the opportunity for meaningful input into program delivery. All engagement is undertaken using the values and principles of the Remote Engagement and Coordination Strategy. Aboriginal Interpreters are involved in the engagement process as English is often a second or third language, to ensure that all discussions are clearly understood by both the family and Government.

Continued to participate in various infrastructure planning groups, consisting of representatives from the Department of Infrastructure, Planning and Logistics, the Department of Territory Families, Housing and Communities and Power and Water Corporation, to collaboratively deliver \$2.1 billion in remote housing over the next six years, alongside land servicing and headworks.

Regular discussions with industry on program requirements.

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

Actions

Planned and maintained the Territory's housing infrastructure portfolio, including delivering the \$1.1 billion remote housing investment package Our Community. Our Future. Our Homes. to ensure a rolling pipeline of works to support ongoing work for industry and provide sustainable employment. Supported the local economy, jobs and construction through Value for Territory procurement outcomes, including Local Content requirements.

Undertook \$186.9 million worth of works throughout the remote housing program in the Territory.

Undertook \$45.5 million worth of works throughout the urban housing program in the Territory.

Overall, awarded 26 contracts, valued at \$191.9 million, to sustain the pipeline of work to support the local community.

- Awarded nine contracts valued at \$69.9 million to Aboriginal Business Enterprises.

Completed 211 new remote homes, 106 existing homes extended, and 76 remote homes upgraded, throughout the housing program in 2020–21.

PRIORITY: Deliver innovative, well-regulated and sustainable services

Actions

Developed and awarded two period contracts for Galiwin'ku and Ramingining for the construction of over 100 dwellings, to reduce procurement timelines, provide contractor certainty, improve scheduling of smaller packages and improve Aboriginal training outcomes and economic development opportunities.

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

Continue modular panel to allow building construction works to continue offline while land is being developed.

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

Actions

Establish the Housing Program Office (HPO), to promote coordination of housing projects from concept through to delivery and provide enhanced planning, management and delivery of the housing infrastructure programs. The HPO branch finalises the infrastructure amalgamation into DIPL that commenced as part of NTG's budget repair initiatives.

Successfully merged the planning and delivery teams to maximise resource efficiencies for improved program outcomes, and provide consistency in housing infrastructure service delivery.

Ensured our worksites and working arrangements prioritise the health and safety of our staff and any risks are identified and effectively managed.



| Key Performance Indicator | 2019-20 Actual | 2020-21 Budget | 2020-21 Estimate | 2020-21 Actual | 2021-22 Budget |
|---|----------------|----------------|------------------|----------------|----------------|
| Land servicing and infrastructure – new remote housing lots developed | 144 | 175 | 175 | 116 | 260 |
| Contracts awarded to Aboriginal Business Enterprises | 49% | ≥40% | ≥40% | 48% | ≥40% |
| Proportion of Aboriginal people employed to deliver housing works and services ⁴ | 47% | | | 47% | ≥42% |
| Completed bedrooms and living spaces ³ | 468 | 790 | 790 | 990 | 1 100 |
| New remote house dwellings ³ | 97 | 190 | 190 | 211 | 245 |

3. The increases in 2021-22 are in line with the Remote Housing Investment Package.

4. New measure, commencing 1 July 2021.

Highlights and Achievements

ALTERNATE PROCUREMENT INITIATIVES - TENDER AWARD TO ABORIGINAL BUSINESS ENTERPRISE FOR HOUSING CONSTRUCTION IN GALIWIN'KU

Our Community. Our Future. Our Homes. reached a new milestone awarding a \$51.5 million contract (over five years) to build 87 new homes in Galiwin'ku. The contract also includes extending existing homes under the Room to Breathe program – around 10 homes per year for five years. The contract was awarded to a local Aboriginal Business Enterprise, providing opportunities for apprenticeships and other training opportunities for residents. The works are expected to generate over 40 new local jobs.

The contract is the largest single contract awarded

for remote housing and the first long-term procurement strategy under Our Community. Our Future. Our Homes.

The five year contract period supports a pipeline of works in the East Arnhem region, opening up opportunities for Territory trades, supply businesses and associated support industries.

MODULAR HOMES – PMARA JUTUNTA

The delivery of Our Community. Our Future. Our Homes. was impacted due to the COVID-19 pandemic bio-security restrictions and community closures. Modular homes provided an alternative build option to allow works to continue in urban centres, for installation when communities were accessible.



Modular Home - Pmara Jutunta

There were still opportunities for local Aboriginal workers to be engaged in the offsite construction, with some contractors offering accommodation in town or through engagement via NT Corrections Sentenced to a Job program.

In July 2020, NT Link Transportable Buildings transported one of the modular homes constructed under the HomeBuild program to the community of Pmara Jutunta, located north of Alice Springs. The home was split into four modules to ensure ease of transport.

HOUSING PROGRAM OFFICE



ABORIGINAL EMPLOYMENT IN THE ROOM TO BREATHE PROGRAM

Sustainable Aboriginal employment is a key principle of Our Community. Our Future. Our Homes. This includes:

- maximising Aboriginal participation
- maximising Aboriginal employment
- developing pipelines of works.

Father and son duo, Ningle and Matthew Garlarla, are involved with the works to renovate their own home through the Room to Breathe program in Pirlangimpi, amongst other homes in the community .

Currently in Pirlangimpi, 20 homes have had works completed under Room to Breathe, achieving an additional 17 bedrooms and 42 additional living spaces.

COMMUNITY CONSULTATION – PMARA JUTUNTA

In August 2020 Stuart Munnich and Kelly Anderson, from the Housing Program Office, travelled to the remote community of Pmara Jutunta to talk with the Housing Reference Group and tenants about the remote housing program

for their community. Pmara Jutunta is located 200 kilometres north of Alice Springs and is on the Ahakey Aboriginal Land Trust. There are 36 remote community homes at Pmara Jutunta.

Stuart and Kelly discussed the HomeBuild and Room to Breathe Programs with the group and provided floor plans, information and options for new housing. The remote housing program provides for up to 12 replacement homes and Room to Breathe works to 16 homes at Pmara Jutunta. Stuart and Kelly were accompanied by a representative from the Aboriginal Interpreter Service to ensure the discussions were clearly understood. On this visit the best meeting place to talk with some tenants was the back of a Toyota ute.

FLIGHTPATH ROAD - HEADWORKS TO SUPPORT BERRIMAH NORTH AREA PLAN

The \$7.26 million construction of a new road and associated storm water detention basin including electrical reticulation was completed and handed over in June 2020.

The project has been completed by a local company, supporting more than 60 local construction jobs.

The works included:

- construction of a new intersection at Amy Johnson Avenue and new Flightpath Road
- construction of 700 metres of the new Flightpath Road from Amy Johnson Avenue toward Vanderlin Drive
- installation of street lighting at the Amy Johnson Avenue and Flightpath Road intersection, including HV power supply from the Stuart Highway
- construction of a stormwater detention basin capable of storing up to 23 000 cubic metres capacity.

The new infrastructure will support development of the Berrimah north area, in accordance with the Berrimah North Area Plan, as guided by the NT Planning Scheme.



STUART HIGHWAY AND TULAGI ROAD INTERSECTION UPGRADE

The \$5.5 million construction of the Stuart Highway and Tulagi Road intersection was completed and handed over in July 2020.

The project has been completed by a local company, supporting more than 50 local construction jobs.

The works included construction of a new signalised intersection, with additional turning lanes to improve safety and traffic flow. The works also included upgrading stormwater drainage to improve flood immunity in the Yarrowonga area.

Through major contributions from project partners, the project also provided two new access points to the new Bunnings development.

DELIVERY OF WORKS IN HERMANNSBURG (NTARIA)

Prior to the delivery of the first homes in Hermannsburg (Ntaria), the construction of a 30 lot residential subdivision was completed in March 2020. Our Community. Our Future. Our Homes. delivered the first three modular homes in the community in December 2020. In total, the community is scheduled to receive

works on over 40 homes through the HomeBuild and Room to Breathe programs. In addition to the new subdivision, a new elevated water tank was installed, with an operational volume of 159 000 litres, to provide a consistent supply of potable water for new houses and future development in the community. The new water tank is has an 8.5 metre diameter, and is 3.3 metres tall. The full water tank structure stands at 21 metres, in comparison to the previous tank, with a height of 11 metres.

2020–21 PROGRAMS

- Continue delivering the remote and urban housing on behalf of the Department of Territory Families, Housing and Communities.
- Deliver the construction of housing in remote communities under the five year National Partnership for Remote Housing Northern Territory, with match funding of \$550 million from the Australian Government.
- Pursue alternative procurement initiatives to create a pipeline of works and sustainable employment opportunities in remote communities, and maximise Aboriginal and local participation in the delivery of project works and enable the Aboriginal Business Enterprises to develop the local skilled workforce in communities.
- Finalise transfer of urban and remote housing maintenance services related positions to the Department of Infrastructure, Planning and Logistics to complete the infrastructure amalgamation that commenced as part of the NTG's budget repair initiatives.
- Ongoing coordination with the Power and Water Corporation for delivery of headworks across multiple remote communities.
- Design development and construction of multiple remote subdivision developments.
- Construction of the Zuccoli High Voltage Feeders.
- Design development for key sewer and drainage infrastructure supporting land development in Berrimah.
- Trunk drainage upgrades within Kulaluk community.

INFRASTRUCTURE NT

Infrastructure NT is a collaborative agent to ensure the right infrastructure is built, at the right place, at the right time to improve the quality of life for all Territorians. Ensuring there are strong sustainable communities, and the ability to work with industry partners to grow our economy.



This is achieved through strategic infrastructure planning and development which

coordinates, advances and aligns infrastructure needs with industry and population growth.

Infrastructure NT has three key focus areas as follows:

- act as the NT I-Body, which includes:
 - develop and maintain a contemporary NT Infrastructure Framework including a strategy, audit, plan and pipeline to inform investment in infrastructure
 - represent and advocate for NT projects nationally
 - establish and coordinate support for the NT Logistics Advisory Council
 - participate in National Forums relating to infrastructure.
- work collaboratively with the Investment and Major Projects Commissioners and Chairman of the Gas Taskforce to grow the Territory's economy and win investment
- lead the delivery of NT Government's key enabling projects as directed.

DARWIN HARBOUR INFRASTRUCTURE PROGRAM

The Darwin Harbour Infrastructure Program (DHIP) team was established in late 2020 and sits within Infrastructure NT. DHIP is accountable for the planning, procurement, design and delivery of a range of capital civil marine and complex road transport projects and is working with other branches of the Department for key strategic marine projects which are in early planning.

DHIP is the Department's principal driver of the following activities:

- leads the Northern Territory in civil marine engineering and operations with a specific focus on marine dredging, piling, construction of in and over water structures, land side utilities, pavements and buildings construction.
- provides strategic advice to Government and non-Government agencies on current and future marine and harbour activities, environmental and coordination elements to ensure safe, efficient and coordinated harbour activities for all users of the Darwin Harbour and its surrounds.

LOUISE MCCORMICK

Infrastructure Commissioner

Louise took on the role as the Infrastructure Commissioner to establish Infrastructure NT – the first I-Body for the NT in April 2021. Previously, Louise led the Transport and Civil Services Division for the past five years. Louise has over 20 years' experience in the transport and civil/structural engineering sectors.

Currently, Louise is the Deputy Chair for Austroads and represents the Northern Territory on several other national boards, committees and working groups including the Australian Road Research Board (ARRB) and Infrastructure and Transport Senior Official Committee Deputies.

Louise is a Chartered Engineer in both civil and structural engineering and is also chartered as an engineering executive.



- delivers works programs in partnership with industry to ensure efficient, effective and safe work practices and implementing unique engagement strategies to maximise Aboriginal participation on capital projects.

In planning and delivery of this program of projects, DHIP is the lead division in developing innovative procurement options analysis, bespoke construction contracts, and has in recent years piloted a series of unique community, Aboriginal and industry engagement models on a range of major civil road projects.

2020–21 PRIORITIES INFRASTRUCTURE NT

Work collaboratively with the Investment and Major Projects Commissioners and Chairman of the Gas Taskforce to win investment for the Territory.

Represent and advocate for the Territory's infrastructure interests with Australian Government agencies, including Infrastructure Australia.

Establish and support the NT Logistics Advisory Council to provide a mechanism for collaboration to improve the Territory's transport and logistics supply chains.

Refocus the NT Infrastructure Framework which underpins Government's investment in infrastructure.

DARWIN HARBOUR INFRASTRUCTURE PROGRAM

The key focus of the division will be to deliver the vast and diverse program of capital works within time and budget constraints, minimising risk to Government, producing quality public assets and coordinating activities in alignment with a range of complex stakeholders activating broader economic benefits across the maritime industry in line with the Territory Economic Reconstruction Commission strategic implementation plans.

The division will also be an essential contributor to develop and implement a series of strategic plans to preserve the pristine Darwin Harbour and the environment, while concurrently producing the infrastructure outcomes set by Government.



REGIONAL HIGHLIGHTS AND ACHIEVEMENTS

NORTHERN REGION

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

KEEP RIVER PLAINS ROAD

The Keep River Plains Road upgrade project was completed and officially opened on November 2020, resulting in 27 kilometres of sealed road from the Western Australian Border, and construction of bridges over the Keep River and Sandy Creek to improve flood immunity, freight capacity and support the proposed Project Sea Dragon.

ROCKY CREEK BRIDGE PROJECT

The new Rocky Creek Bridge construction project in Borroloola was completed in December 2020 and was officially opened in May 2021. The newly constructed bridge is one metre higher than the existing culvert crossing, greatly increasing flood immunity for the community. The Department of Infrastructure, Planning and Logistics worked closely with Roper Gulf Regional Council to deliver this project.

BUNTINE HIGHWAY

The Northern Australian Roads Program (NARP) 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 NARP is jointly funded with \$32 million from the Australian Government and \$8 million from the Northern Territory Government.

CENTRAL ARNHAM ROAD

The primary road access to the East Arnhem region is the 675 kilometre Central Arnhem Road, which runs from the Stuart Highway to Nhulunbuy and is a vital transport corridor for the region's communities and homelands.

As part of a National Partnership Agreement, the Australian Government has committed up to \$180 million towards the \$225 million project to upgrade this road. This commitment will further improve certain sections of the road, deliver a long-term Corridor Development Plan, and continue to improve and support future industry development. This significant investment complements recent improvements to the road, with the completion of the Rocky Bottom bridge project in December 2020, and additional early works packages currently underway.

These prioritised works will improve the Central Arnhem Road resilience by reducing vehicle restriction and the extent of closure during major weather events. Additionally, the upgrade to dual lane seal standard

will improve road safety, and in the long-term will assist in unlocking the economic potential of the region. It will open up a range of new long-term economic and social opportunities for people across the East Arnhem region.

Such significant budgetary commitments to improving this corridor will continue to enhance accessibility for residents, improve commercial logistics and transport, and welcome more self-drive visitors to the region.

NGUKURR POLICE COMPLEX

Construction began in October 2020 on the \$14.35 million Ngukurr Police Complex upgrade. This significant construction upgrade will consist of a purpose built Police Station that will accommodate six police members, a multipurpose room of which can be utilised as a court facility and a boat enclosure with the provision of a bulk fuel storage component. The complex will include four new houses, four self-contained Visiting Officers Quarters, a small playground and BBQ area that will be built within the existing police compound. Earth works are underway, with construction due for completion in November 2021.



KATHERINE HOSPITAL SPECIALIST CLINIC ROOM UPGRADES

Construction began in February 2020 on the \$1.27 million Katherine District Hospital specialist clinic rooms upgrade. The upgrades will consist of:

- a treatment room capable of being retrofitted as a dental clinic
- a large room for family case conferences; four telehealth ready consulting rooms
- reception and waiting area
- support areas such as ablution, utility, plant and store rooms.

The building will also be constructed to ensure it can withstand extreme weather and flooding events which may arise due to its close proximity to the Katherine River. Expected completion October 2021.

MIMI ABORIGINAL ART AND CRAFT CENTRE

The \$2 million Mimi Aboriginal Art and Craft Centre construction, funded through the NTG \$30 million Art Trail Regional Gallery Extension Program is being delivered by DIPL on behalf of Mimi Ngurrdalingi Aboriginal Corporation. The art centre upgrade will enhance the gallery, artists' studio and retail spaces, improving office and storage facilities, the energy efficiency and amenities of the building. The contract for construction commenced in May 2021 with the full completion of works expected by late 2021.

NITMILUK NATIONAL PARK WORKS

Construction is nearing completion on \$15.4 million upgrade works at Nitmiluk National Park. A functional refurbishment of the Nitmiluk Visitor Centre was completed in time for the park's 30 year anniversary in September 2019 and the \$2.4 million upgraded Nitmiluk jetty was completed in March 2020. The jetty has been designed and constructed to improve year round access, capacity and visitor experience.

Construction of Turbocharging Tourism Mountain Bike Trails with the mountain bike hub structures and Stage One trails were completed in April 2020. Minimalist, hand-built trails seamlessly blend in with the existing informal trail network, using local materials and highlighting Nitmiluk's natural splendour.

Construction also commenced in January 2020 to upgrade the Baruwei walking trail which links the jetty/picnic area to the Baruwei lookout. Upgrades include new natural rock steps and pavements, and new elevated stairs with curved treads that align aesthetically with the natural surface and rock formations. Works have also included the construction of a new lookout at the halfway point and expanding the existing Baruwei lookout to provide increased capacity.

GOVE DISTRICT HOSPITAL UPGRADE - IMAGING DEPARTMENT

The \$1.3 million Gove District Hospital imaging department refurbishment works commenced in August 2020 and will see the upgrading of many of its existing medical imaging facilities. Upgrades will consist of the installation of a standalone CT - providing the East Arnhem community with 24/7 emergency CT services, a new OPG service that will provide a higher level of diagnostic imaging for patients, and refurbishment of the medical imaging department providing better facilities for patients including amenities and larger, refurbished treatment rooms, along with a new administration area. With CT and OPG services available at the Gove District Hospital, patients will now not need to travel to Darwin to receive diagnostic images, providing care closer to home.

ANGURUGU POLICE POST AND MULTIFUNCTION AREA

The \$1.4 million construction of a new permanent police post and multifunction area project in Angurugu project was completed in June 2021 and supported seven local jobs.

REGIONAL HIGHLIGHTS AND ACHIEVEMENTS

UMBAKUMBA SCHOOL ABLUTION BLOCK

Quality infrastructure is important to promote learning and meet the needs of students education, now and into the future. Demolition of the old facilities and construction of the new concrete ablutions block for the Umbakumba School commenced in May 2021 and are expected to be complete by September 2021.

KATHERINE LOGISTICS AND AGRIBUSINESS HUB

Development is progressing on a fully operational, multi-disciplined Katherine Logistics and Agribusiness Hub (KLAH) to meet the current and future growth needs of Katherine, the Top End region and Northern Australia. The NTG has committed \$30 million to build external headworks and stage one subdivision works for KLAH. All external servicing work concept designs have been completed and

the detailed design for external power feeder, water infrastructure and Victoria Highway intersection have been finalised. The Victoria Highway intersection and external servicing works construction will commence pending the resolution of tenure for the site.

KATHERINE EAST NEIGHBOURHOOD CENTRE

The Department of Infrastructure, Planning and Logistics is leading the implementation of flood mitigation measures to increase Katherine's flood resilience and improve flood protection of Katherine residential areas in flooding events up to a one in 20 year event.

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.

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.

External headworks including power and sewer detailed design was completed in April 2020. Internal headworks and subdivision works detailed design is anticipated to be complete in 2021.

Development of the Katherine East Area Plan is now complete, which further informs infrastructure requirements for the neighbourhood centre.

BORROLOOLA LAND RELEASE

The \$3.5 million residential land release project will see the service of 35 existing residential lots on Mulholland Street, Borroloola, as well as an additional three existing serviced lots. Servicing works required include power, water and sewer services.





SOUTHERN REGION

The Southern regional teams deliver services across a large geographical area. From the South Australia border up to the northern point of Newcastle Waters and across to the Western Australian border and Queensland borders.

UPGRADE AND SEAL TANAMI ROAD

The upgrade of the Tanami Road to a sealed double lane standard of an 11 kilometres, completes the sealing of this vital inter-regional link from the Stuart Highway intersection to the Yuendumu community. The road services a number of Aboriginal communities and is a key freight route for the mining and pastoral industries. The upgrade supports regional and local economic development by improving connectivity and increasing safety for industry and communities in the region.

STOTT TERRACE SHARED PATH EXTENSION

The Stott Terrace shared path extension (between Sturt Terrace and Undoolya Road) was completed in mid 2021. This path extension, linking the Alice Springs CBD to the Eastern Suburbs via the Stott Terrace Bridge, completes a vital pedestrian and cycling link on the NTG shared path network, including access to the Charles Darwin University campus.

TENNANT CREEK LOGISTICS AND AGRIBUSINESS HUB

In January 2021, the Territory secured Australian Government funding of \$325 000 to fund a

study for the development of a fully operational multimodal facility and rail terminal in the Northern Territory. This project is being investigated to meet the current and future growth needs of Tennant Creek and the Barkly region.

The study is exploring the feasibility and options for the multimodal facility, through the investigation of land constraints, infrastructure needs (road and essential services), necessary for the facility and the site for a rail freight terminal for the future Mount Isa to Tennant Creek rail link.

The facility has scope to provide opportunities for industrial and logistics support for expansion of the agriculture, pastoral, mining and other industries. This is as well as improved interconnectivity to the future Mount Isa to Tennant Creek rail, existing Adelaide to Darwin rail and the Stuart Highway and Barkly Highway.

TABLELANDS HIGHWAY BRIDGE UPGRADE

The Tablelands Highway is a major highway in the Northern Territory essential to the transportation of cattle, connecting the Barkly and Carpentaria highways. The construction of a new bridge on the Tablelands Highway over the McArthur River was completed in October 2020. The project is part

of the round three Bridge Renewal Program and was delivered by Advance Civil Engineering.

HERMANNSBURG HISTORIC PRECINCT UPGRADES

Stage one upgrades to the Hermannsburg Historic Precinct were completed, with Alice Springs based company Nicholl Constructions undertaking the major refurbishment and landscaping works. The \$1.4 million upgrade delivered much-needed restoration works at the historical precinct, which was established by Lutheran missionaries in 1877.

The significant refurbishment works were undertaken on nine of the existing 16 buildings within the heritage site, including stonework restoration, timbers and roofing renewal and utility upgrades. Landscaping upgrades have enabled enhanced visitor movement around the precinct with the works including the re-establishment of a small section of the market garden which existed in the late 1800s.

The restoration of the precinct aims to increase visitation from tourists and the local community, through new experiences and activities in restored, conserved, and new exhibits. Stage two of the upgrades will be rolled out in 2021-22 and will include restoration to a range of buildings of historical significance.

REGIONAL HIGHLIGHTS AND ACHIEVEMENTS

ALICE SPRINGS CBD REVITALISATION

The \$15 million Alice Springs CBD Revitalisation program will contribute to the reinvigoration of the CBD, creating a safer and more vibrant Alice Springs CBD for locals and visitors to enjoy.

The first round of early works packages for the CBD Revitalisation were two new wayfinding routes, which direct pedestrians between the CBD and the Heritage District and Railway Station. Works were completed in August 2020. Additionally, a second early works package was completed in March 2021 and saw the upgrade of streetlights to LED luminaires in the CBD and along Barrett Drive.

The detailed design and subsequent award of construction contracts for the three major works packages were completed in 2020-21.

- Territory business Aussie Mandias Pty Ltd was awarded a \$1.9 million contract to deliver lighting upgrades to provide a safer more vibrant CBD by addressing identified areas within the CBD that are poorly lit and may be susceptible to anti-social behaviour.
- Territory business McMahon Services Australia (NT) Pty Ltd was awarded a \$6 million contract for the construction of shade structures and landscaping along of Gregory Terrace, Bath Street and Hartley Street, to improve shading and cooling in the CBD.
- Local business Ant Galactic Pty Ltd were awarded a \$780 000 contract for the construction of a River Activation Space located at the corner of Parsons Street and Leichhardt Terrace. The activation space is strategically located to

capitalise on the beauty of Lhere Mparntwe (the Todd River) outlook and provide cooling shade for enjoyment by a wide variety of locals and visitors alike in an area with good natural surveillance and close to amenities.

TENNANT CREEK STREETSCAPE

In April 2021, Territory company Susan Dugdale and Associates was awarded the contract for a comprehensive and integrated suite of detailed designs for the Tennant Creek streetscape. This detailed design is based on a draft Tennant Creek streetscape masterplan, the development of which included community consultation by the Barkly Regional Council, who are in partnership with the NT Government on this project. The project will move to the construction phase in late 2021.

BARKLY REGIONAL DEAL INFRASTRUCTURE PROJECT DEVELOPMENT

Significant progress was made across 2020-21 on site selection, scoping and design for a range of Barkly Regional Deal infrastructure projects. This lays the ground work for construction over the next year of the Barkly Business Hub, the Tennant Creek Visitors Park and the Tennant Creek Youth Accommodation and Training Facility.

KILGARIFF STAGE TWO

In 2020, the Land Development Corporation was publicly announced as the developer of Stage two of Kilgariff. Development approval was provided to the Land Development Corporation for 88 residential lots in two sub-stages. Construction of the first sub -stage of 52 lots commenced in June 2021. A

lot sales ballot was held in June 2021, resulting in sales of 19 of the 45 lots that were available for purchase through the ballot.

To support this development, the NT Government has granted \$4.1 million to the Land Development Corporation as a contribution towards subdivision and intersection works to bring forward the development of Kilgariff Stage two. This will ensure there is a future supply of residential land in Alice Springs.

SUBDIVISION FOR PRIORITY PROJECTS

To address the shortage of available land for priority projects, the Department has developed a plan for the subdivision of its former works depot in Tennant Creek. This subdivision will provide sites for the new Tennant Creek Visitors Park.

Work completed include community consultation, various site assessments, including an environmental and sacred sites assessments, subdivision design and the development of planning applications.

This work will enable the construction of the new facilities in 2021-22.

TENNANT CREEK LANDFILL TENURE

The Department has been collaborating with the Barkly Regional Council and the Department of Environment and Water Security to assist the Barkly Regional Council in the long-term environmental management of the Tennant Creek landfill. This collaboration has been focused on working with the Barkly Regional Council to secure the long-term grant of land for its landfill site, and to ensure compliance with the requirements of their Environment Protection Licence (EPL).



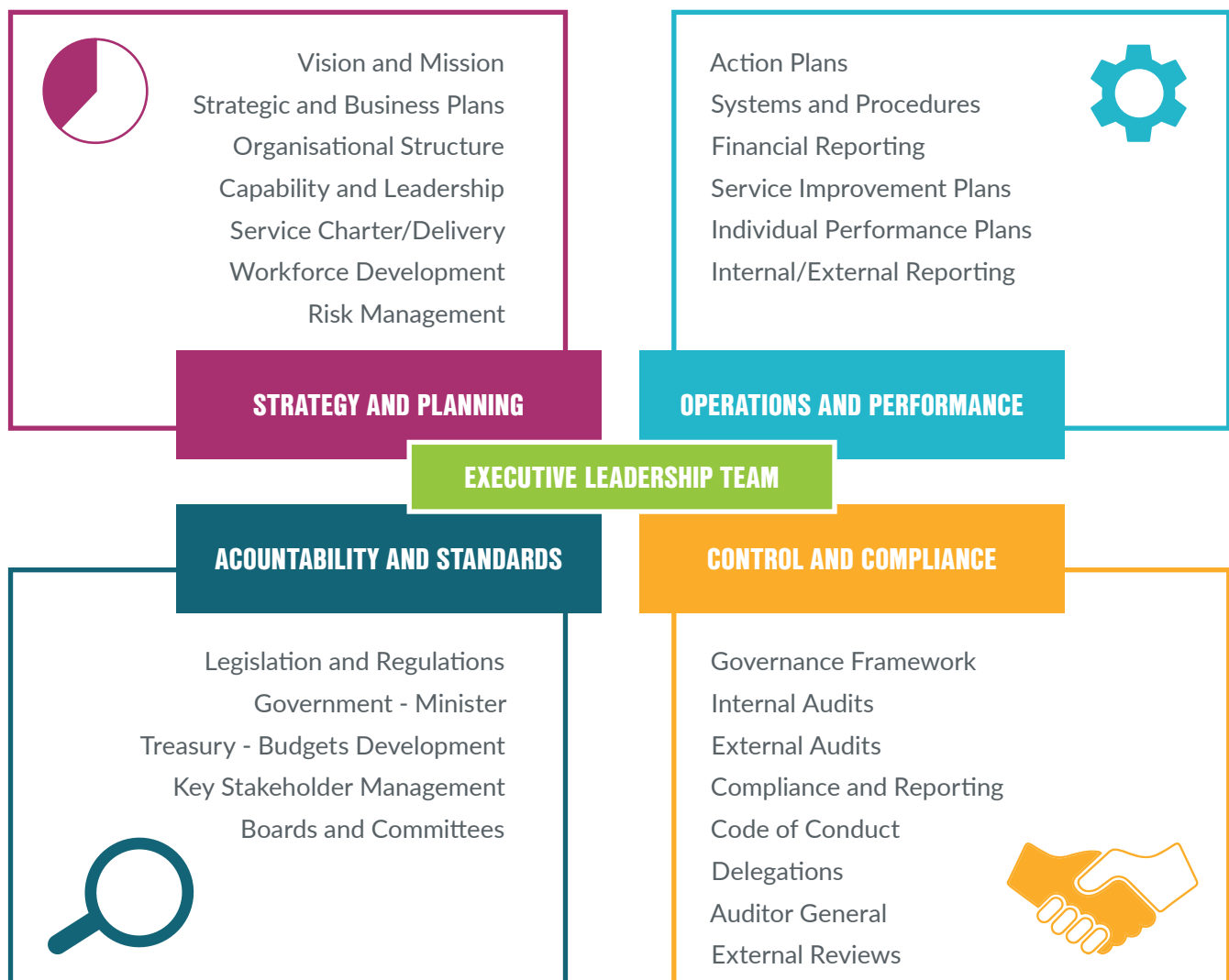
CORPORATE GOVERNANCE



CORPORATE GOVERNANCE

Good 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 its people 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 describes the governance structures that operated during the year, along with a description of the achievements and forthcoming priorities.

EXECUTIVE BOARDS AND COMMITTEE

Executive Management Board

The Executive Management Board is the Department's decision making body on corporate governance matters. The Chief Executive Offices is responsible for strategic leadership for the Department. The Executive Management Board meets weekly and includes Division Heads in the Department.

The responsibilities of the Executive Management Board are to:

- provide a forum to consider issues arising from divisional activity that may be relevant to other Executive Management Board members
- act as a decision making body that considers and determines responses to policies that impact on the community and our stakeholders
- set the strategic direction for the Department

- provide advice and support on the planning, implementation, monitoring and reporting of the Department's performance against its responsibilities and objectives.

2020-21 Achievements

- Ongoing Budget review.
- Continual review of Department performance reporting.
- Cross agency and local Government collaboration on current and emerging priorities, projects and tasks.
- Continual management of the Department's emergency response to COVID-19.
- Implementation of a Special Measures Plan.
- Established the Housing Program Office following the amalgamation of housing infrastructure function.

EXECUTIVE LEADERSHIP TEAM

The Executive Leadership Team (ELT) meets monthly and has a performance monitoring and advisory role. The ELT considers, discusses and approves strategies, policies, initiatives and issues that impact on divisions or the Department as a whole. Under the Work Health and Safety (WHS) Framework, the ELT act as the WHS Steering Committee and monitor activity and issues arising from WHS Worksite Committee.

The key functions of the ELT are:

- develop and oversee the implementation of strategic directions, plans, policies and programs
- high level monitoring of strategic issues, deliverables

and organisational performance, including:

- financial and budget performance
- workforce development
- assets, facilities and resources
- cascade Department messaging to staff
- monitor compliance against planned timeframes and outcomes, budgets, policies and targets where appropriate
- oversee governance arrangements and monitor the activities of committees
- under the WHS Framework, act as the WHS Steering Committee and monitor activity and issues arising from the WHS Worksite Committees.

2020-21 Activities

- Regularly monitored reporting on the Department's budget and financial performance, workforce development, work health and safety, information technology and records management, audit and risk management activities.
- Quarterly agency performance reporting.
- Reviewing and endorsing policies.
- Endorsement of the DIPL leadership program
 - endorsement of the online Performance Management Framework.
- Briefings and presentations on:
 - business intelligence reports
 - infrastructure and housing centralisation
 - process reform and customer experience improvement

CORPORATE GOVERNANCE



AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee is established to ensure the Chief Executive has clear, comprehensive, independent advice on the effectiveness of the Department's governance structures, systems and processes.

The Audit and Risk Management Committee:

- monitors the internal audit function (including review of the annual internal audit program, review and monitoring of the audit recommendations)
- monitors the external audit program (including audit outcomes, the Department's response and implementation of audit recommendations)
- review and monitors the Department's governance as stipulated in the committee's terms of reference, including risk management.

2020-21 Achievements

- Four meetings convened for the 2020-21 year.
- Providing feedback on the implementation of the Department's:
 - o enterprise risk management framework
 - o risk register
 - o internal audit.

2020-21 Priorities

- Oversee and provide advice (where required) on Department audit and risk activities including:

- o annual audit program
- o past and current audit recommendations
- o key governance matters.

BUSINESS INNOVATION AND IMPROVEMENT COMMITTEE

The Business Innovation and Improvement Committee (BIIC) is responsible for strategic oversight, governance, guidance and support for the delivery and management of innovation and continuous improvement initiatives throughout the Department of Infrastructure, Planning and Logistics (DIPL).

The committee was previously known as the Technology and Innovation Committee, however the centralisation of Government's information and technology functions into the Department of Corporate and Digital Development (DCDD) presented an opportunity for DIPL (in partnership with DCDD) to review its information and technology governance, policies, procedures and innovative direction.

This review included reassessing the purpose of the Committee to ensure it not only supports governance and technology, but is aligned with the Department's focus on business improvement, and provides a central point for customer experience and service improvement initiatives.

Work Health and Safety Committee

As part of work health and safety (WHS), committees are established for each regional DIPL office.

Department committees:

- act as a consultative forum that provides advice on safety matters
- keep informed about standards of health and safety
- recommended maintenance and monitoring of programs, measures and procedures relating to the health and safety of workers
- engage with work health safety consultant to conduct regular workplace inspections when requested, or if an incident occurs
- consider and make recommendations about proposed workplace changes that may affect the health and safety of employees
- review hazard and incident report trends.

Emergency Management Committee

The Emergency Management Committee's principal responsibility is to ensure the Department is adequately prepared for emergencies and to lead initial response to emergency situations.

The Emergency Management Committee:

- Leads Department activities before, during and after an event.
- Manages communications and emergency messaging for staff and assists with coordination of messaging to stakeholders across Government.



STRATEGY AND PLANNING

REGULATORY AND LEGISLATIVE ADVISORY BOARDS AND COMMITTEES

Regulatory and legislative advisory boards and committees are listed in the appendices.

CORPORATE PLANNING FRAMEWORK

The Corporate Planning Framework links our vision with the Department of Infrastructure, Planning and Logistics' 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.

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 reports to the Chief Executive,

Executive Management Board, Executive Leadership Team, General Managers, Executive Directors and Directors on Departmental and divisional financial performance. The suite of monthly finance reports includes:

- detailed reporting on the Department's financial position
- expenditure at Department and divisional levels.

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 the Divisional Plan.

Internal and external audits, including performance and 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 six internal audits during 2020-21 and the Northern Territory Auditor-General's Office conducted eight 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

CORPORATE GOVERNANCE

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 internal audit team is independent from operational areas of the Department and all audits have been conducted internally by in-house staff. This arrangement provides an independent and objective assurance and advisory service to the Department as well as assurance to the Chief Executive and the Audit and Risk Management 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 six internal audits completed during 2020-21 including:

- Contractor Compliance Unit Management of Contractor Non-compliances
- Weed Control on Vacant Crown Land
- Building Advisory Services – Investigating Practitioner Complaints
- Value for Territory No.5 – Procurement Assurance Program – 1 January to 31 December 2020
- DIPL COVID-19 Contract Management
- Declarations of Conflicts of Interests.

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 by the Northern Territory Auditor-General's Office, however, other external parties can be engaged. The Auditor-General for the Northern Territory reports directly to the Northern Territory Parliament twice a year and releases reports publicly.

The eight external audits finalised in 2020-21 by the Northern Territory Auditor-General's Office were:

- End of Year Review for 30 June 2020
- Excessive Leave Entitlements – Analytics Exercise
- Calculation of Supported Jobs
- Accounting for Assets on Leased Land
- Interim Agency Compliance Audit for 2020-21
- Financial Acquittals for the Financial Year to 30 June 2020 for:
 - o Black Spot Program Acquittal
 - o Infrastructure Investment Program Acquittal
 - o Roads to Recovery Acquittal.

RISK MANAGEMENT

Risk management is an integral part of the management process and incorporates the principles of corporate governance, accountability, communication and strategic alignment.

The DIPL Enterprise Risk Management Framework was developed in 2019. This guides staff in identifying, assessing, treating and monitoring risks at strategic, operational and project levels.

FRAUD AND CORRUPTION AWARENESS

The Fraud and Corruption Control Framework was implemented during 2020 to detail the Department's approach to fraud and corruption control. The framework consists of a range of fraud control strategies designed to protect both the Department and staff. Each strategy contributes to the effectiveness and efficiency of the overall framework and is consistent with the Department's operations and ethical culture.

COMPLIANCE AND REPORTING

The Department has a number of internal control mechanisms designed to mitigate risks in the workplace.

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 undertake disciplinary proceedings.

The delivery of conflicts of interests training sessions for all Departmental staff commenced in May 2021. This training incorporated Code of Conduct requirements. A total of 42 sessions were conducted across the Territory with 607 staff attending.



DELEGATIONS

The Chief Executive delegates certain powers to other employees under the *Financial Management Act 1995*, the *Public Sector Employment and Management Act 1993*, the *Contracts Act 1978* and the *Procurement Act 1995*.

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 1999*).

The Department holds a range of record sets that are captured, managed and disposed of, or archived, in accordance with the *Information Act 2002 (NT)*. 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 26 March 2020), provides public access to information held by a public sector organisation.

A total of 23 applications to access information through the *Information Act* were accepted and processed by the Department in 2019–20. This is two applications less than the previous year, and the same number received in 2017–18.

The Department received several other requests for Government information during the year, which were able to be provided using 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.

| | |
|------------------------------|--|
| <p>Conflict of interest:</p> | <p>Whether actual, potential or perceived, conflicts of interest erode confidence in the integrity of the organisation. All staff are required to declare conflicts of interests as soon as they become aware of the conflict. Declared conflicts of interests are reported to the Department's Executive Management Board. In addition all Executive Contract Officers are required to declare conflicts of interests on annual basis.</p> <p>One hundred and twenty (120) declarations of interests were made by Departmental officers in 2020-21.</p> |
| <p>Gifts and benefits:</p> | <p>The Department must be open, accountable and actions defensible when dealing with the acceptance of gifts and benefits. All staff are required to declare gifts and benefits including declined gifts and benefits. Declared gifts and benefits are reported to the Department's Executive Management Board.</p> <p>Sixteen (16) gifts and benefits declarations were made by Departmental officers during 2020-21.</p> |
| <p>Whistle-blowers:</p> | <p>Staff are regularly reminded that they can report wrongdoing through the <i>Independent Commission Against Corruption Act 2017</i>. The Executive Director Governance and Executive Services is the Department's 'Nominated Recipient' under this Act. Two (2) referrals were made to the Office of the Independent Commissioner Against Corruption regarding Department officers in 2020-21.</p> |



SHARED SERVICES



SHARED SERVICES

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

DEPARTMENT OF CORPORATE AND DIGITAL DEVELOPMENT – CORPORATE SERVICES REFORM AND CENTRALISED ENTERPRISE CORPORATE SERVICES

In July 2019, the Corporate Services Reform 3 (CSR3) program began the process to consolidate corporate services across the Northern Territory Public Sector (NTPS) into the Department of Corporate and Digital Development (DCDD).

In addition to the existing shared services, DCDD's Enterprise Corporate Services Division includes seven functional groups – Procurement, Human Resources, Information Management, Data, Digital, Web and Fleet. (Note – Procurement Services for the Department remain decentralised).

This is the third major reform of corporate service functions in the Territory public sector, presenting the opportunity to improve efficiency across Government to achieve improved scale, consistency and streamlined operations.

The Enterprise Corporate Services teams are structured and grouped in a Functional Service Model to deliver services to the whole public sector. Each of the seven functional groups are led by a Functional Lead (Senior

Director or Director) reporting to the Chief Operating Officer.

To support the work of functional groups, each agency is assigned a Business Connector, whose primary focus is to work as a strategic business partner and establish links between client agencies and functional groups.

HUMAN RESOURCES

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 and workforce development

INFORMATION TECHNOLOGY (DIGITAL AND DATA SERVICES)

Digital services drive 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.

Data services support evidence-based decision making, performance monitoring, service planning and policy development.

INFORMATION MANAGEMENT

Information Management Services provides a suite of services while maintaining confidentiality and sensitivity, for both digital and

hard copy records, to support client agencies to meet their business needs, comply with legislative requirements and achieve best practice standards.

WEB SERVICES

Agency web services manage agency internet and intranet websites and provide a service delivery and quality assurance role for client agency web presence needs.

FLEET SERVICES

The Vehicle Management Services work unit provides client agencies with a cost effective fleet management service.

2020–21 PRIORITIES

- Support implementation of the Department's Strategic People Plan.
- Support contemporary Performance Management Framework and online solution.
- Support the Department's leadership program to reinforce and enhance leadership capability within the Department.
- Continue to deliver in the External Portal Project in partnership with the Motor Vehicle Registry (MVR) to provide secure online self-service facility for motor trades, fleet operators and other Territory business industries.



- Support the transfer of records from across sector agencies to support amalgamation of infrastructure and housing resources into the Department.
- Continue to support the Department to improve compliance with the Payment Card Industry by developing improved processes and systems.
- Continue supporting the Department to enhance MVR systems to connect to the national Face Matching Services (One Person One Licence Service).
- Deliver a range of ICT initiatives to enhance organisation effectiveness, including online forms and workflows.
- Support innovation and improvement by re-establishing the Department's ICT Governance Committee.
- Continue to monitor the 2020 Employment Program, which includes recruiting graduates, trainees, scholarships and Aboriginal Employment Program participants to suit the Department's workforce planning requirements.
- Continue to monitor and review the Department's vehicle fleet to improve efficiencies and identify opportunities for consolidation.

2020-21 STRATEGIC OBJECTIVES

PRIORITY: Quality services that deliver innovative, well-regulated, safe and sustainable services.

Actions

Progressed the centralisation of DCDD, with interim structures implemented across functions.

Supported the Zero Based Budget Project by providing HR data and advice enabling organisational realignment and support to staff and managers.

Prepared and supported implementation of the Department's Strategic People and Safety Plan.

Developed a Department leadership program to reinforce and enhance leadership capability within the Department.

In partnership with the Motor Vehicle Registry (MVR), delivered the External Portal Project to provide a secure online self-service facility for motor trades, fleet operators and other Territory business industries.

Supported the Department to enhance MVR systems to connect to the national Face Matching Services (One Person One Licence Service).

Delivered a range of ICT initiatives to enhance organisation effectiveness, including online forms and workflows.

Supported the Department to improve compliance with the Payment Card Industry by developing improved processes and systems.

Implemented updated delegations and provided online access to delegations across the Department.

Implemented and continued to monitor the 2020 Employment Program, which included recruiting graduates, trainees, scholarships and Aboriginal Employment Program participants to suit the Department's workforce planning requirements.

Delivered enhanced video conferencing, collaboration and presentation facilities.

Identified opportunities for technology to streamline business processes.

Increased the number of datasets published in the Northern Territory Government's open data portal.

Finalised the transition of Department on-premises ICT systems into the new Government data centre to facilitate re-purposing the Chan building.

Continued to modernise MVR systems to meet new and emerging requirements and streamline customer interactions.

Continued to review the Department's vehicle fleet to improve efficiencies and identify opportunities for consolidation.

Facilitated upgrade and transfer to the whole of sector dataset to improve standardisation of records management.



OUR PEOPLE



OUR PEOPLE

The capacity of our workforce is critical to achieving our goals as a Department.

The Department 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 2020-21 were to:

- create workplaces that foster innovation and promote excellence, underpinned by a culture of collaboration
- drive new ways of doing business that create efficiencies in our operations innovation to enable agile responses to changes in our environment
- maintain high standards of governance, accountability and ethical standards with a focus on continual improvement in our performance reporting and delivery
- ensure our work sites and working arrangements prioritise the health and safety of our staff, where risks are identified an effectively managed.

STAFFING NUMBERS

| Division | 2019-20 2020-21 | |
|---|-----------------|------------|
| | FTE | FTE |
| Infrastructure investment program, support and delivery | 251 | 233 |
| Lands and Planning | 151 | 148 |
| Logistics Infrastructure and Services | 313 | 307 |
| Housing Program Office | - | 60 |
| Corporate and Shared Services ¹ | 44 | 51 |
| Total Full Time Equivalent (FTE) | 759 | 799 |
| Total Paid Employees | 781 | 825 |
| TOTAL HEADCOUNT | 806 | 887 |

¹ Corporate includes Executive, Governance, Finance and Office Services

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:

48.12%
OF THE WORKFORCE
IDENTIFY AS FEMALE

41.82%
OF OUR EMPLOYEES WERE
AGED 50 YEARS AND OVER

36
WOMEN IN SENIOR
MANAGEMENT ROLES
(SAO2 AND ABOVE)

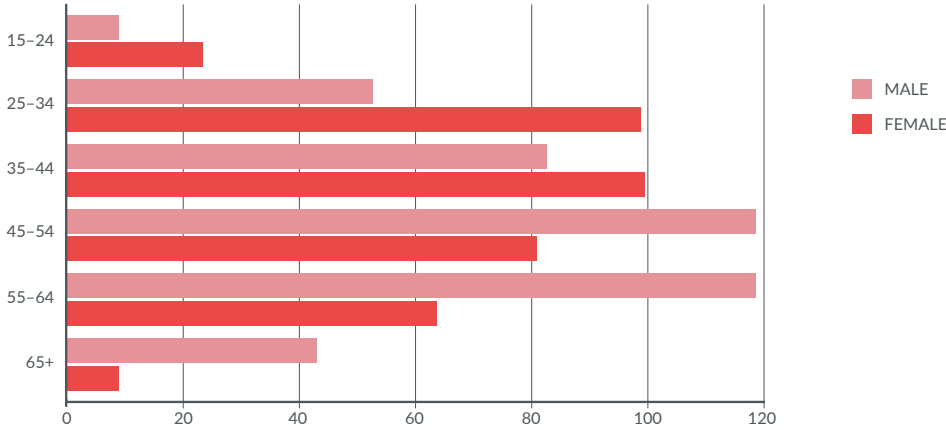
11%
OF EMPLOYEES IDENTIFY AS
BEING FROM A CULTURALLY
DIVERSE BACKGROUND

12
EMPLOYEES (1.6%) IDENTIFY
AS HAVING A DISABILITY.

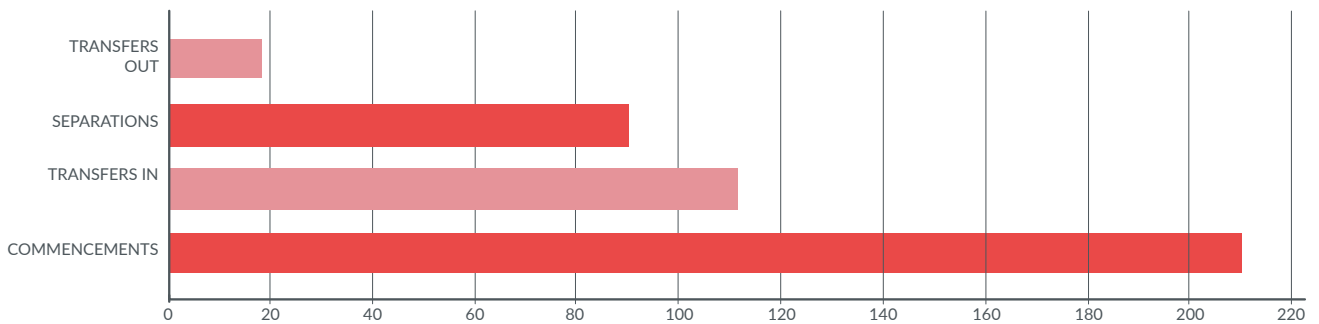
53
(6%) STAFF IDENTIFY AS
ABORIGINAL EMPLOYEES
WITH FOUR ABORIGINAL
EMPLOYEES IN SENIOR
MANAGEMENT ROLES (SAO1
AND ABOVE)



AGE DISTRIBUTION OF PAID EMPLOYEES AS AT 30 JUNE 2021



COMMENCEMENTS AND SEPARATIONS FOR 2020-21



WORK LIFE BALANCE

Flexible working options are supported by the Department.

Initiatives available to staff across the Department include:

- flexible working hours to accommodate family commitments, parental leave, to undertake responsibilities as a care giver
- transition to retirement plans.

HEALTH AND WELLBEING INITIATIVES

The Department provides staff with opportunities to balance work commitments with family, community and cultural responsibilities. To assist with this, the DIPL Employee Wellbeing

program has been established to promote health and wellbeing initiatives throughout the year.

Initiatives for 2020-21 included:

- flu vaccinations – the Department offers free flu vaccinations on an annual basis, with 354 (45 per cent) staff vaccinated
- calendar of events to recognise charities, days, events and causes promoted throughout the Department. Employees are encouraged to champion events to celebrate the occasion/cause.

RECRUITMENT

In the 2020-21 year, 208 employees were recruited and began working with the Department, including 73 new

Northern Territory Public Sector (NTPS) commencements and 110 Northern Territory Government Department transfers in.

INDUCTION OF NEW EMPLOYEES

Induction programs are conducted for new staff who join the Department to ensure they are aware of their obligations and entitlements as employees of the Department and the NTPS.

As part of Machinery of Government changes, corporate induction sessions were delivered by DCDD. Work units are responsible for inducting employees into their place of work and welcoming them to the Department.

OUR PEOPLE

TRAINING AND DEVELOPMENT

The Department continues to support managers to identify individual staff development needs through undertaking performance conversations via its new Performance Management Framework.

The Department invested \$592 070 in essential training and development programs, including:

- Appropriate Workplace Behaviour
- Merit Selection and Special Measures
- Writing workshop - Punctuation Unpacked
- Writing workshop - How to Write Plain English
- Writing workshop - Email Writing
- Foundations of Public Sector Governance
- How to bring a Mental Health Strategy to Life
- Mental Health in the Workplace: Practical Skills for all
- Building Resilience to Workplace Stress
- Practical Public Policy Design
- Jawoyn Cultural Awareness and Immersion Program
- Aboriginal Employee Mentor Program
- Workplace Conflict Mediation
- Strategic Workforce Planning

- Understanding and Building Resilience Through Positive Psychology
- Dealing with the Tough Stuff
- Performance Management for Managers
- Performance Management for Employees
- Reflections on Team Leadership
- Leadership for New Managers
- TRIPS
- EMCS.

UNDERGRADUATE AND POST GRADUATE STUDY

Nine employees were provided study and support at undergraduate and post graduate level. Areas of study included:

- Associate Degree of Spatial Science
- Master of Project Management
- Bachelor of Spatial Science
- Bachelor of Business
- Bachelor of Laws
- Bachelor of Nursing.

CERTIFICATE AND DIPLOMA STUDY

Agency employees are supported to undertake various certificate and diplomas. Employees have undertaken courses including but not limited to:

- Advanced Diploma of Procurement and Contracting
- Diploma of Government Investigations
- Certificate IV in Access Consulting
- Certificate IV in Civil Construction Supervision
- Certificate IV in Project Management Practice
- Certificate IV in Training and Assessment
- Certificate III in Business
- Certificate I in Maritime Operations.

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 2020-21.

| Training and Development Expenditure | 2019-20 | 2020-21 |
|--|------------------------|---------------|
| Total employees (FTE) | 759 | 799 |
| Total Training and Development Expenditure | \$441 490 ¹ | \$592 070 |
| Total Personnel Expenditure | \$95 875 513 | \$104 435 072 |
| Training and Development Costs as % of Personnel Expenditure | 0.5% | 0.6% |
| Training Expenditure per Employee (FTE) | \$582 | \$741 |

(1) Lower training costs largely due to COVID-19 restrictions and less scholarships in 2019-20.



Department Action 2020-21

| | |
|--|---|
| <p>1. Filling Vacancies</p> | <p>For the 2020-21 period, the Department of Infrastructure, Planning and Logistics advertised 107 (ongoing and fixed period) positions. The Department had 161 employees commence/transfer in and 142 separations/transfers out.</p> <p>No promotion appeals were upheld for the reporting period.</p> |
| <p>2. Probation</p> | <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 and Digital Development (DCDD) 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>One employee's probation period was extended during the 2020-21 reporting period.</p> |
| <p>3. Natural Justice</p> | <p>The principles of natural justice are communicated to all employees.</p> <p>Natural justice is adhered to in all dealings with employees and reflected in internal policies and procedures.</p> |
| <p>4. Employee Performance Management and Development Systems</p> | <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> |
| <p>5. Medical Examinations</p> | <p>Two employees were directed to attend an examination by a health practitioner for the 2020-21 period.</p> |
| <p>6. Employee Performance and Inability</p> | <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>Three employees were subject to employee Performance and Inability during 2020-21.</p> |
| <p>7. Discipline</p> | <p>The Department's discipline policy and procedure is available to all staff on the intranet.</p> <p>One disciplinary process was undertaken during 2020-21.</p> |
| <p>8. Internal Department Complaints and Section 59 Grievance Reviews</p> | <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>One internal complaints were received during the 2020-21 period. No section 59 Grievances Reviews were received during the reporting period.</p> |
| <p>9. Employment Records</p> | <p>DCDD stores all personnel files. The Department complies with the DCDD 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 2020-21.</p> |
| <p>10. Equality of Employment Opportunity Programs</p> | <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> |

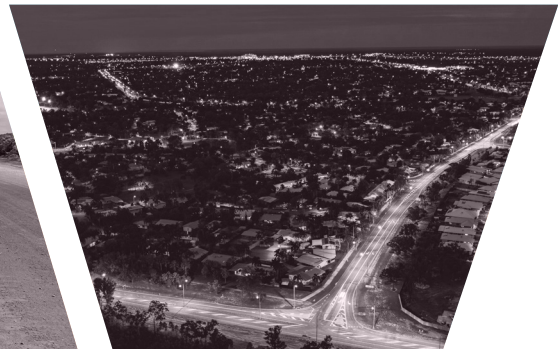
OUR PEOPLE

Department Action 2020-21

| | |
|--|--|
| 11. Occupational Health and Safety Standards Programs | 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. |
| 12. Code of Conduct | <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> |
| 13. Appropriate Workplace Behaviour | The Department is committed to providing all employees with a safe and healthy workplace, free from inappropriate behaviours such as bullying, harassment and discrimination. |
| 14. Redeployment and Redundancy Procedures | <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 2020-21, one employee became a redeployee and no employees were made redundant.</p> |
| 15. Special Measures | <p>All positions in agency have special measures plans applied.</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 2021

OVERVIEW OF FINANCIAL RESULT

The Department of Infrastructure, Planning and Logistics classifies services under 19 outputs summarised into five output groups. The Corporate and Governance Output Group, including some centrally held agency costs, finance, executive and governance services provides corporate support services to all the output groups.

The Department had a final adjusted budget of \$479.3 million for the 2020–21 year; a decrease of \$21.2 million from the approved 2020-21 budget, tabled by the Northern Territory Government in November 2020. The decrease mainly resulted from the recent revaluation of roads and bridges, which although increased in value, it resulted in a change between asset components and a reduction to the depreciation rate applied. In addition, there were funds transferred from 2020-21 to 2021-22 and forward years for design and development of significant projects to align budget with projected expenditure. Other significant changes to the budget included several transfers throughout the financial year from the repairs and maintenance program to the capital works program. Further increases included an increase in budget due to non-cash capital grants provided to local government councils for completed works in progress and one-off non-cash land servicing capital related expenditure that cannot be recorded as an asset.

The Department reported expenses for the financial year of \$469.7 million, which is less than the final approved budget. The final result for the year was \$9.6 million under the operational budget which includes salaries, operational costs, repairs and maintenance and grant expenses. This is mainly due to the timing of recruitment for several Commonwealth funded positions and other major projects not yet filled. Another significant variation was the expected and budgeted expenditure relating to the Northern Territory's response to COVID-19 and the Centre for National Resilience, which came in lower than originally estimated. A request for unspent Commonwealth and other expenditure timing delays, will be submitted for approved budget capacity in 2021-22 as part of the carryover process due to timing of commitments.

The Department incurred a number of costs for unfunded items, which were fully absorbed by the Department within the existing budget.



OPERATING STATEMENT (FINANCIAL PERFORMANCE)

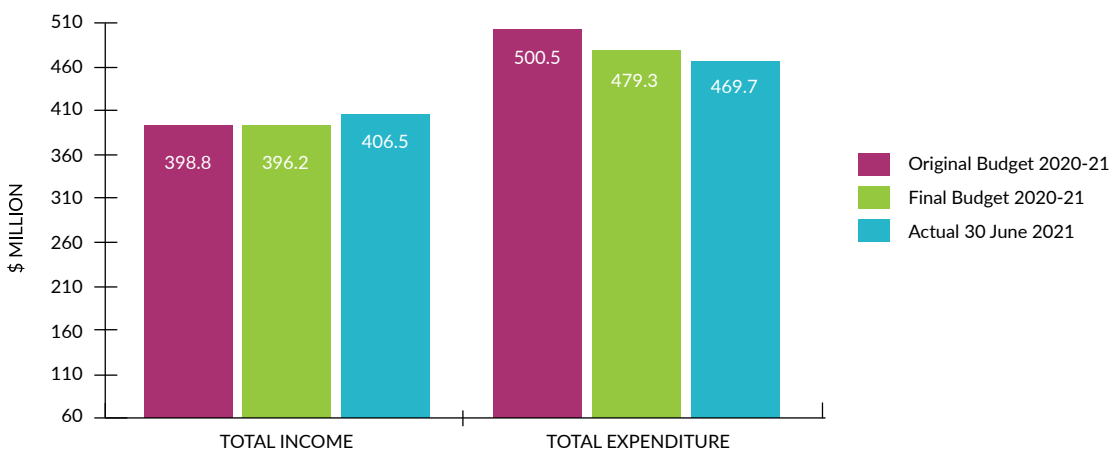
The Department reports an operating deficit of \$63.2 million against a budgeted deficit of \$83.1 million. Deficit results are planned as depreciation expenses (\$68.5 million actual result) are not funded through output appropriation under the Territory's Financial Management Framework. Revenue was slightly greater due to the surrender of land classified under assets acquired for nil consideration, which are not budgeted. The deficit also includes approved use of cash balances from prior year commitments, non-cash expensing of capital works projects that do not meet capitalisation criteria and required to be expensed and a number of costs for unfunded items, which the Department was able to fully absorb within the budget capacity.

SUMMARY OF FINANCIAL PERFORMANCE

The graph below summarises changes in total income and total expenditure over the 2020-21 financial year, from the original budget to the final budget which was revised in June 2021. This is compared against the actual result as at June 2021.

Variations in total expenditure against budget were mainly due to the timing of recruitment for a number of Commonwealth funded positions not yet filled and estimated budget capacity projected but not spent for the Northern Territory's response to COVID-19. In addition, there were grant milestone related delays which together with other timing related delays will be subject to a carryover request for the 2021-22 financial year.

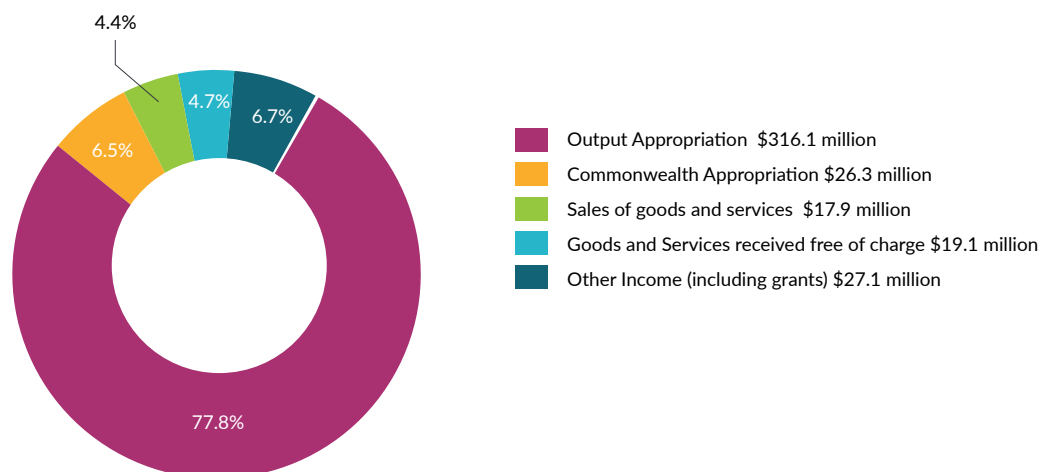
Summary of Financial Performance 2020-21



FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2021

2020-21 Operating Income Profile (\$406.5 million)

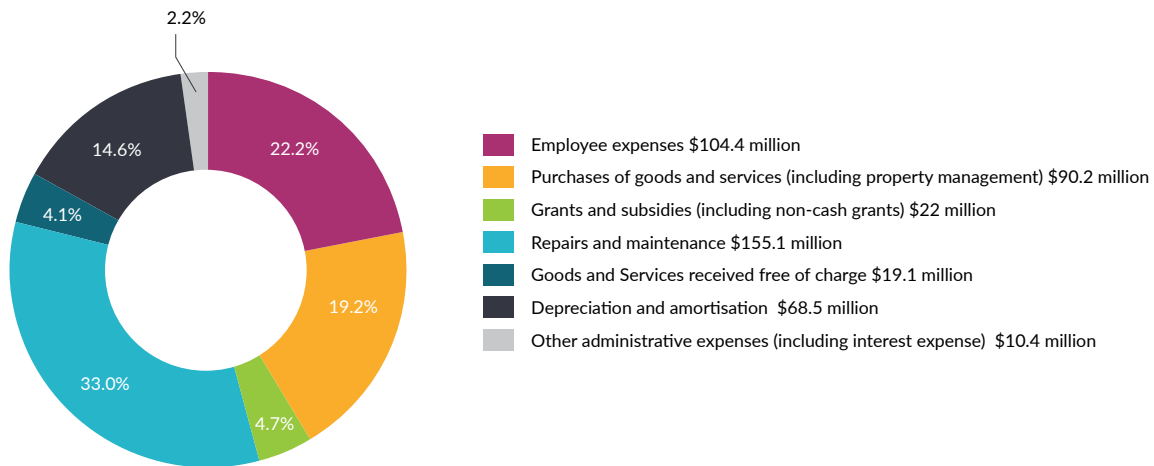


OPERATING INCOME

Total operating income for 2020-21 was \$406.5 million, being \$10.3 million higher than the final budget. Revenue received was higher than budget mainly due to revenue recorded for the surrender of lots classified under assets acquired for nil consideration, which are not budgeted, and additional capital grant received. The main source of funding was output appropriation \$316.1 million, followed by other income \$27.1 million (including current and capital grants) and Commonwealth appropriation of \$26.3 million primarily relating to the 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 and services received free of charge (for notional shared services) from the Department of Corporate and Digital Development.



2020-21 Operating Expense Profile (\$469.7 million)



OPERATING EXPENSES

Total operating expenses for 2020-21 were \$469.7 million being \$9.6 million under final budget. Repairs and maintenance expenditure of \$155.1 million constitutes the greatest portion of this cost followed by employee expenses of \$104.4 million, depreciation and amortisation of \$68.5 million, purchases of goods and services (including property management) of \$90.2 million and grants and subsidies (including non-cash capital grants) of \$22 million.

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2021

EXPENDITURE TREND

The table below shows actual spend against the final budget in 2020-21.

| | 2019-20 | | 2020-21 | | |
|--|---------------|---------------|------------------------------------|-----------------|---------------|
| | Actual \$M | Actual \$M | Final Approved Budget \$M | Variance \$M | Variance % |
| Operating expenses | | | | | |
| Employee expenses | 95.9 | 104.4 | 109.2 | (4.8) | -4.4% |
| Purchases of goods and services (including property management) | 83.2 | 90.2 | 97.4 | (7.2) | -7.4% |
| Repairs and maintenance | 142.1 | 155.1 | 154.6 | 0.5 | 0.3% |
| Other administrative expenses (including interest) | 10.1 | 10.4 | 6.1 | 4.3 | 70.5% |
| Grants and Subsidies (including non-cash capital grants) | 21.5 | 22 | 23.8 | (1.8) | -7.6% |
| Depreciation and amortisation | 93.2 | 68.5 | 69.7 | (1.2) | -1.7% |
| Goods and Services received free of charge | 19.7 | 19.1 | 18.5 | 0.6 | 3.2% |
| TOTAL | 465.7 | 469.7 | 479.3 | (9.6) | -2.0% |

Overall, the Department spent \$9.6 million less than budgeted. The Department incurred a number of costs for unfunded items, which was fully absorbed by the Departments underspends. Minimal variances in spending occurred across most categories of operating expenses.

Key expense variations to the final budget are highlighted below:

- Purchases of goods and services were \$7.2 million lower than budget mainly due estimated budget projects included for Northern Territory's response to COVID-19 not being fully spent.
- Employee expenses were \$4.8 million lower than budget mainly due to the timing of recruitment for a number of Commonwealth funded positions not yet filled and other major project recruitment delays. The underspend for these programs will be subject to a carryover request into the 2021-22 financial year.
- Other administrative expenses were \$4.3 million higher than budget mainly due to the accounting treatment of non-cash expenditure associated with land servicing. This is capital related expenditure that cannot be recorded as an asset.
- Grants and subsidies expenses were \$1.8 million lower than budget mainly due to milestone related delays which will be subject to a carryover request for the 2021-22 financial year.
- Depreciation was \$1.2 million lower than budget. Depreciation is non-cash expenditure required to recognise the use of assets over their useful lives. This is due to lower than projected completed new works that were estimated to be capitalised and required to be depreciated during the financial year.



BALANCE SHEET

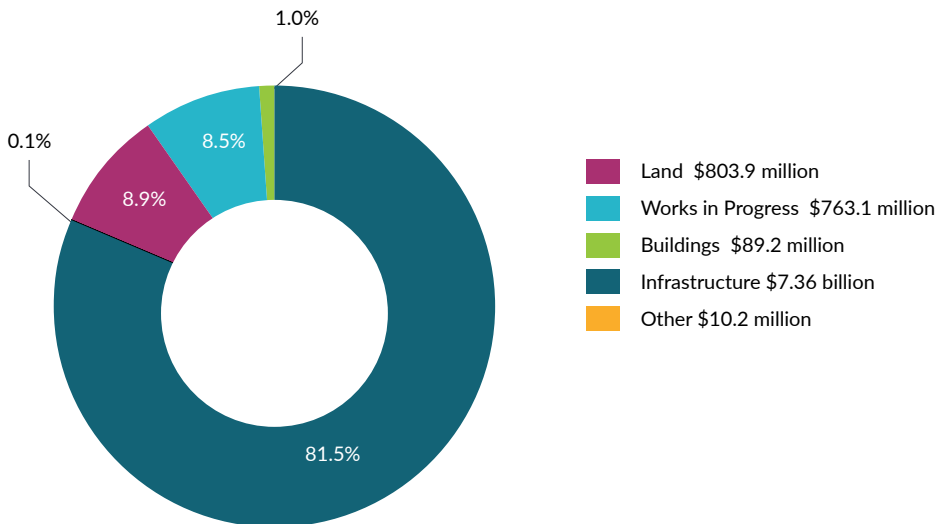
The Balance Sheet shows the Department's net worth and financial position. The Department held assets totalling \$9.46 billion at 30 June 2021.

The largest component of the Department's asset profile relates to infrastructure assets of \$7.36 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 capitalised a number of completed capital work projects, which resulted in an increase in value of infrastructure assets of \$0.19 billion.

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 administered 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 \$763.1 million. This value represents the current collective value of works which are yet to be completed and transferred to each appropriate host Department.

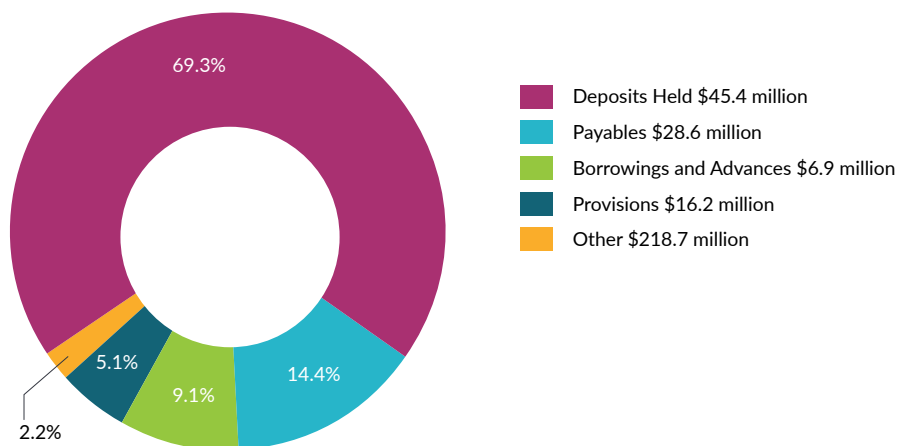
2020-21 Asset Portfolio - Property, Plant and Equipment (\$9.028 billion)



FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2021

2020-21 Liabilities (\$315.8 million)



LIABILITIES

The Department held liabilities of \$315.8 million as at 30 June 2021 comprising of deposits held in trust, payables and provisions.

In 2020-21 the Department continued to maintain a strong financial position, with liabilities representing approximately 3.5 per cent of total assets. An increase of 50.9 per cent to the previous year is mainly due to a \$92.7 million increase in other liabilities relating to the recognition of Commonwealth unearned capital grants as per accounting standard AASB 1058.



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 \$302.1 million at year end, a \$193 million increase against the final approved budget of \$109 million. The increase in cash is mainly due to additional Commonwealth funding received for a number of capital works projects and a lower than expected spend due to milestone delays and COVID-19 restrictions. 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. Some of the funds held also relate to recoverable works funds which will be utilised in line with the progression of those works. Other significant balances relate to carryover items including grant commitments from prior years, infrastructure related expenses not spent in time, Commonwealth capital works and repairs and maintenance 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 Commonwealth funded major projects often include early milestone provisions which are paid in advance of works occurring and contributes to the increased cash reserves held.

CASH FLOW MOVEMENT SUMMARY

| | 2019-20 | | 2020-21 | | |
|--|---------------|---------------|------------------------------------|-----------------|---------------|
| | Actual \$M | Actual \$M | Final Approved Budget \$M | Variance \$M | Variance % |
| Cash Flow | | | | | |
| Cash at beginning of year | 96.4 | 141.2 | 141.2 | - | - |
| Cash received | 897.6 | 1175.8 | 1111.5 | 64.3 | 5.8% |
| Less cash spent | 852.8 | 1014.9 | 1143.6 | (128.7) | 11.3% |
| Cash at end of reporting period | 141.2 | 302.1 | 109.1 | 193.0 | 176.9% |

INFRASTRUCTURE PAYMENTS

The Department spent \$756.4 million in total infrastructure payments on behalf of the Territory. The majority of the expenditure relates to capital and minor new works expenditure of \$591.3 million. Within this capital expenditure, \$232.3 million was spent on housing, \$179.3 million was spent on the road network and \$179.7 million was spent on other built infrastructure across a number of portfolios. In addition, the Department spent \$149.2 million in repairs and maintenance delivered on behalf of the Department and other Government agencies, \$10.1 million in capital grants and \$5.8 million in infrastructure related consultancies to support the design and delivery of the Territory's infrastructure program.

CERTIFICATION OF THE FINANCIAL STATEMENTS

DEPARTMENT OF INFRASTRUCTURE, PLANNING AND LOGISTICS FINANCIAL REPORT

CERTIFICATION OF THE FINANCIAL STATEMENTS

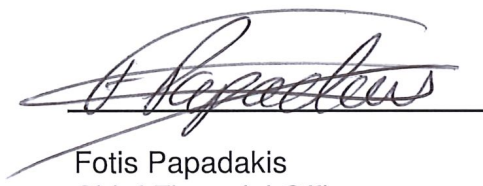
We certify that the attached financial statements for the Department of Infrastructure, Planning and Logistics have been prepared based on proper accounts and records in accordance with the prescribed format, the *Financial Management Act 1995* and Treasurer's Directions.

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 2021 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 Officer
30 August 2021



Fotis Papadakis
Chief Financial Officer
30 August 2021



COMPREHENSIVE OPERATING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

| | Note | 2021 | 2020 |
|---|----------|-----------------|------------------|
| | | \$'000 | \$'000 |
| INCOME | | | |
| Grants and subsidies revenue | 4a | | |
| Current | | 11 244 | 550 |
| Capital | | 2 752 | 580 |
| Appropriation | 4b | | |
| Output | | 316 059 | 313 885 |
| Commonwealth | | 26 287 | 20 144 |
| Sales of goods and services | 4c | 17 939 | 18 088 |
| Interest revenue | | 14 | 41 |
| Goods and services received free of charge | 5 | 19 128 | 19 712 |
| Gain on disposal of assets | 6 | 1 005 | 666 |
| Other income | 4d | 12 024 | 2 801 |
| TOTAL INCOME | 3 | 406 452 | 376 467 |
| EXPENSES | | | |
| Employee expenses | | 104 435 | 95 876 |
| Administrative expenses | | | |
| Property Management | | 16 210 | 13 520 |
| Purchases of goods and services | 7a | 74 006 | 69 690 |
| Repairs and maintenance | 7b | 155 054 | 142 115 |
| Depreciation and amortisation | 16,17 | 68 488 | 93 200 |
| Other administrative expenses ¹ | | 10 238 | 9 995 |
| Goods and Services received free of charge | | 19 128 | 19 712 |
| Grants and subsidies expenses | | | |
| Current | | 8 980 | 9 850 |
| Capital | | 13 037 | 11 616 |
| Interest expenses | 8 | 116 | 165 |
| TOTAL EXPENSES | 3 | 469 692 | 465 739 |
| NET DEFICIT | | (63 240) | (89 272) |
| OTHER COMPREHENSIVE INCOME | | | |
| Items that will not be reclassified to net deficit | | | |
| Changes in asset revaluation surplus | | 32 080 | 1 860 028 |
| Transfer from reserves | | 2 049 | 13 800 |
| TOTAL OTHER COMPREHENSIVE INCOME | | 34 129 | 1 873 828 |
| COMPREHENSIVE RESULT | | (29 111) | 1 784 556 |

¹ Includes DCDD service charges.

The comprehensive operating statement is to be read in conjunction with the notes to the financial statements.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

BALANCE SHEET

AS AT 30 JUNE 2021

| | Note | 2021 | Restated 2020 |
|--------------------------------------|----------|------------------|------------------|
| | | \$'000 | \$'000 |
| ASSETS | | | |
| Current Assets | | | |
| Cash and deposits | 10 | 302 069 | 141 171 |
| Receivables | 12 | 80 591 | 50 663 |
| Asset held for sale | 13 | 18 277 | 2 214 |
| Total Current Assets | | 400 937 | 194 048 |
| Non-Current Assets | | | |
| Advances | 14 | 1 036 | 1 008 |
| Property, plant and equipment | 16,17,26 | 9 027 786 | 8 773 225 |
| Intangibles | 18a,26 | 1 172 | 1 362 |
| Heritage and cultural assets | 18b,26 | 1 489 | 302 |
| Other assets | 15 | 22 794 | 21 302 |
| Total Non-Current Assets | | 9 054 277 | 8 797 199 |
| TOTAL ASSETS | | 9 455 214 | 8 991 247 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Deposits held | 19 | 45 402 | 58 748 |
| Payables | 20 | 28 550 | 13 655 |
| Borrowings and advances | 21 | 4 748 | 4 482 |
| Provisions | 22 | 16 236 | 14 589 |
| Other liabilities | 23 | 180 902 | 97 416 |
| Total Current Liabilities | | 275 838 | 188 890 |
| Non-Current Liabilities | | | |
| Borrowings and advances | 21 | 2 180 | 3 440 |
| Other liabilities | 23 | 37 776 | 16 940 |
| Total Non-Current Liabilities | | 39 956 | 20 380 |
| TOTAL LIABILITIES | | 315 794 | 209 270 |
| NET ASSETS | | 9 139 420 | 8 781 976 |
| EQUITY | | | |
| Capital | | 4 615 051 | 4 228 496 |
| Reserves | 25 | 5 842 089 | 5 810 009 |
| Accumulated funds | | (1 317 720) | (1 256 529) |
| TOTAL EQUITY | | 9 139 420 | 8 781 976 |

The balance sheet is to be read in conjunction with the notes to the financial statements.



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

| | Note | Equity at 1 July | Comprehensive result | Transactions with owners in their capacity as owners | Equity at 30 June |
|--|-----------|---------------------|-------------------------|---|----------------------|
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| 2020-21 | | | | | |
| Accumulated Funds | | (1 256 529) | (63 240) | - | (1 319 769) |
| Changes in accounting policy | | - | - | - | - |
| Transfers from reserves | | - | 2 049 | - | 2 049 |
| Total Accumulated Funds | | (1 256 529) | (61 191) | - | (1 317 720) |
| Reserves | 25 | 5 810 009 | - | - | 5 810 009 |
| Asset revaluation reserve | | - | 32 080 | - | 32 080 |
| Other reserve | | - | - | - | - |
| Total Reserves | | 5 810 009 | 32 080 | - | 5 842 089 |
| Capital - Transactions with Owners | | | | | |
| Equity injections | | | | | |
| Capital appropriation | | 3 876 092 | - | 420 918 | 4 297 010 |
| Equity transfers In | | 3 859 311 | - | 97 757 | 3 957 068 |
| Other equity injections | | 828 140 | - | 317 | 828 457 |
| Specific purpose payments | | 95 829 | - | 1 535 | 97 364 |
| National partnership payments | | 822 463 | - | 236 340 | 1 058 803 |
| Commonwealth - capital | | 115 308 | - | 20 370 | 135 678 |
| Total Equity Injections | | 9 597 143 | - | 777 237 | 10 374 380 |
| Equity withdrawals | | | | | |
| Capital withdrawal | | (590 278) | - | (4 075) | (594 353) |
| Equity transfer out | | (4 778 369) | - | (386 607) | (5 164 976) |
| Total Equity Withdrawals | | (5 368 647) | - | (390 682) | (5 759 329) |
| Total Capital | | 4 228 496 | - | 386 555 | 4 615 051 |
| TOTAL EQUITY AT END OF FINANCIAL YEAR | | 8 781 976 | (29 111) | 386 555 | 9 139 420 |

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021 (continued)

| | Note | Equity at 1 July | Comprehensive result | Transactions with owners in their capacity as owners | Equity at 30 June |
|--|-----------|---------------------|-------------------------|---|----------------------|
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| 2019-20 Restated | | | | | |
| Accumulated Funds | | (1 180 407) | (89 272) | - | (1 269 679) |
| Adjustment on adoption of AASB 15 & AASB 1058 | | (650) | - | - | (650) |
| Transfers from reserves | | - | 13 800 | - | 13 800 |
| Total Accumulated Funds | | (1 181 057) | (75 472) | - | (1 256 529) |
| Reserves | | | | | |
| | 25 | 3 949 981 | - | - | 3 949 981 |
| Asset revaluation reserve | | - | 1 860 028 | - | 1 860 028 |
| Total Reserves | | 3 949 981 | 1 860 028 | - | 5 810 009 |
| Capital - Transactions with Owners | | | | | |
| Equity injections | | | | | |
| Capital appropriation | | 3 598 066 | - | 278 026 | 3 876 092 |
| Equity transfers In | | 3 855 446 | - | 3 865 | 3 859 311 |
| Other equity injections | | 825 141 | - | 3 000 | 828 140 |
| Specific purpose payments | | 95 619 | - | 210 | 95 829 |
| National partnership payments | | 695 894 | - | 126 569 | 822 463 |
| Commonwealth - Capital | | 95 898 | - | 19 410 | 115 308 |
| Total Equity Injections | | 9 166 064 | - | 431 080 | 9 597 143 |
| Equity withdrawals | | | | | |
| Capital withdrawal | | (584 679) | - | (5 599) | (590 278) |
| Equity transfer out | | (4 532 547) | - | (245 823) | (4 778 369) |
| Total Equity Withdrawals | | (5 117 226) | - | (251 422) | (5 368 647) |
| Total Capital | | 4 048 838 | - | 179 658 | 4 228 496 |
| TOTAL EQUITY AT END OF FINANCIAL YEAR | | 6 817 762 | 1 784 556 | 179 658 | 8 781 976 |

This Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.



CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

| | Note | 2021 | 2020 |
|--|-----------|------------------|------------------|
| | | \$'000 | \$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Operating Receipts | | | |
| Grants and subsidies received | | | |
| Current | | 11 244 | 550 |
| Capital | | 10 557 | 275 |
| Appropriation | | | |
| Output | | 316 059 | 313 885 |
| Commonwealth | | 29 536 | 19 736 |
| Receipts from sales of goods and services | | 77 224 | 77 880 |
| Interest received | | 14 | 41 |
| Total Operating Receipts | | 444 634 | 412 367 |
| Operating Payments | | | |
| Payments to employees | | (102 325) | (93 120) |
| Payments for goods and services | | (304 468) | (292 063) |
| Grants and subsidies paid | | | |
| Current | | (8 980) | (9 850) |
| Capital | | (10 099) | (1 297) |
| Interest paid | | (116) | (165) |
| Total Operating Payments | | (425 988) | (396 495) |
| NET CASH FROM OPERATING ACTIVITIES | 11 | 18 646 | 15 872 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Investing Receipts | | | |
| Proceeds from asset sales | 6 | 1 464 | 13 903 |
| Total Investing Receipts | | 1 464 | 13 903 |
| Investing Payments | | | |
| Purchase of assets | | (577 862) | (443 707) |
| Advances and investing payments | | (27) | (72) |
| Total Investing Payments | | (577 889) | (443 779) |
| NET CASH USED IN INVESTING ACTIVITIES | | (576 425) | (429 876) |

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021 (continued)

| | Note | 2021 | 2020 |
|---|-----------|-----------------|-----------------|
| | | \$'000 | \$'000 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Financing Receipts | | | |
| Deposits received | | (13 347) | 24 335 |
| Equity injections | | | |
| Capital appropriation | | 420 918 | 278 026 |
| Commonwealth appropriation | | 321 838 | 165 960 |
| Other equity injections | | 317 | 3 000 |
| Total Financing Receipts | | 729 726 | 471 321 |
| Financing Payments | | | |
| Finance lease payments | | (6 974) | (6 920) |
| Equity withdrawals | | (4 075) | (5 599) |
| Total Financing Payments | | (11 049) | (12 519) |
| NET CASH FROM FINANCING ACTIVITIES | 11 | 718 677 | 458 802 |
| Net increase in cash held | | 160 898 | 44 798 |
| Cash at beginning of financial year | | 141 171 | 96 373 |
| CASH AT END OF FINANCIAL YEAR | 10 | 302 069 | 141 171 |

The cash flow statement is to be read in conjunction with the notes to the financial statements.



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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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 Department's functions and responsibilities.

Additional information in relation to the Department and its principal activities can be found in the Performance Reporting section of the annual report.

The Department is predominantly funded and therefore dependent, on the receipt of parliamentary appropriations. The financial statements encompass all funds through which the Department controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the Department are summarised into several output groups. Note 3 provides summarised financial information in the form of a comprehensive operating statement by the output group.

Output Groups/Outputs:

- Infrastructure Investment Program, Support and Delivery,
- Lands and Planning,
- Logistics Infrastructure and Services,
- Housing Program Office,
- Corporate and Shared Services.

The transfer into the Department of the Housing Infrastructure and Capital Procurement function on 1 July 2020 further underpins the principles outlined in the March 2019 A plan for budget repair – Final report of organisational efficiencies and strategic alignment.

Machinery of Government changes

Transfers in:

Details of transfer:

The Housing Infrastructure and Capital Procurement function transferred to the Department of Infrastructure, Planning and Logistics as part of the centralisation of Infrastructure Services.

Date of transfer: Effective from 1 July 2020

The assets and liabilities transferred as a result of this change were as follows:

| | |
|---------------------------|-----------------|
| Assets | \$'000 |
| Receivables | 35 |
| Property, Plant Equipment | 93 530 |
| TOTAL ASSETS | 93 565 |
| Liabilities | |
| Payables | 110 |
| Provisions | 1 241 |
| Unearned Revenue | 110 738 |
| TOTAL LIABILITIES | 112 089 |
| NET ASSETS | (18 524) |



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 Department financial statements should include:

- (i) a 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 intra-agency transactions and balances have been eliminated.

Except where stated, the financial statements have also been prepared in accordance with the historical cost convention.

The form of the agency financial statements is also consistent with the requirements of Australian accounting standards. The effects of all relevant new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are effective for the current annual reporting period have been evaluated.

Standards and interpretations effective from 2020-21

Several 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.

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 2020-21.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods but are considered to have limited impact on public sector reporting.

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 and 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 include income, expenses, assets, liabilities and equity over which the Department has control (agency items). Certain items, while managed by the Department, are controlled and recorded by the Territory rather than the Department (Territory items). Territory items are recognised and recorded in the Central Holding Authority as discussed below.

Central Holding Authority

The Central Holding Authority is the 'parent body' that represents the government's ownership interest in government-controlled entities.

The Central Holding Authority also records all Territory items, such as income, expenses, assets and liabilities controlled by the government and managed by agencies on behalf of the government. The main Territory item is Territory income, which includes taxation and royalty revenue, Commonwealth general purpose funding (such as GST revenue), fines, and statutory fees and charges.

The Central Holding Authority also holds certain Territory assets not assigned to agencies as well as certain Territory liabilities that are not practical or effective to assign to individual agencies such as unfunded superannuation and long service leave.

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the Department's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

However, as the Department is accountable for certain Territory items managed on behalf of government, these items have been separately disclosed in Note 32 – Schedule of administered Territory items.

e) Comparatives

Where necessary, comparative information for the 2019-20 financial year has been reclassified to provide consistency with current year disclosures.

Output groups were realigned during 2020-21 to reflect the transfer into the Department of the Housing Infrastructure and Capital Procurement function and minor internal restructures.

During 2020-21, the Department identified that some developed land parcels that were owned by the Darwin Waterfront Corporation had not been de-recognised. This error resulted in an overstatement in net assets and net worth in both the general government and the total public sector of \$34.838 million.

The error is corrected and restated in the 2019-20 comparatives and has resulted in a reduction to property, plant and equipment and asset revaluation reserves by \$34.838 million. As this restatement also impacts prior financial years, the 2019-20 opening balances have also been restated to decrease property, plant and equipment balances by \$34.838 million with a corresponding reduction to asset revaluation reserves.

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 2020-21 as a result of management decisions. Changes in policies relating to COVID-19 are disclosed in k) below.

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 Department may receive contributions from government where the government is acting as owner of the Department. Conversely, the Department 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



2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

contributions and distributions are treated by the Department as adjustments to equity.

The statement of changes in equity provides additional information in relation to contributions by, and distributions to, government.

k) Impact of COVID-19

The impact of COVID-19 continued to effect the 2020-21 financial statements.

The Department supported the Territory Emergency Operations Centre through staff secondments together with the Transport and Engineering Emergency Operations Functional Groups responding to domestic and international risks as required.

The Department continued to review and assess applications from businesses under the Northern Territory Government Hardship Package. The modification of debt recovery processes to ease financial hardship continued to be implemented.

Services and works in some instances continued to be impacted by delays due to COVID-19 lockdowns and associated travel restrictions. In some instances, it required a different way of working with associated COVID-19 management plans introduced to worksites.

The Department continues to have an active role in managing the infrastructure requirements of the Centre for National Resilience at Howard Springs, including the provision of base building services. A team supporting the centre was established in 2020-21. All repatriation costs continue to be fully reimbursed by the Australian Government, while the Northern Territory Government is funding its own internal quarantine costs, with infrastructure and base building costs split accordingly. Other health related costs, including transport and border control activities are partially claimable from the Australian Government, from which the Department continues to seek reimbursement for on a monthly basis through the Department of Health.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

| | | Infrastructure Investment Program, Support and Delivery | Lands and Planning | Logistics Infrastructure and Services | Housing Program Office | Corporate and Shared Services | Total |
|---|-------|--|--------------------------|---|------------------------------|-------------------------------------|-----------------|
| | Note | 2021 | 2021 | 2021 | 2021 | 2021 | 2021 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| INCOME | | | | | | | |
| Grants and subsidies revenue | 4a | | | | | | |
| Current | | 9 286 | - | 700 | 1 258 | - | 11 244 |
| Capital | | - | - | - | 2 752 | - | 2 752 |
| Appropriation | 4b | | | | | | |
| Output | | 114 635 | 35 899 | 140 818 | 12 405 | 12 302 | 316 059 |
| Commonwealth | | - | - | 26 287 | - | - | 26 287 |
| Sales of goods and services | 4c | 10 | 3 106 | 14 491 | 2 | 330 | 17 939 |
| Interest revenue | | - | 14 | - | - | - | 14 |
| Goods and services received free of charge | 5 | - | - | - | - | 19 128 | 19 128 |
| Gain on disposal of assets | 6 | - | 1 005 | - | - | - | 1 005 |
| Other income | 4d | 1 149 | 10 076 | 361 | 35 | 403 | 12 024 |
| TOTAL INCOME | | 125 080 | 50 100 | 182 657 | 16 452 | 32 163 | 406 452 |
| EXPENSES | | | | | | | |
| Employee expenses | | 30 509 | 19 407 | 38 113 | 9 769 | 6 637 | 104 435 |
| Administrative expenses | | | | | | | |
| Property management | | 5 464 | 3 777 | 6 389 | 100 | 480 | 16 210 |
| Purchases of goods and services | 7a | 7 488 | 7 548 | 53 618 | 2 814 | 2 538 | 74 006 |
| Repairs and maintenance | 7b | 74 854 | 8 647 | 71 553 | - | - | 155 054 |
| Depreciation and amortisation | 16,17 | 1 508 | 7 885 | 58 988 | - | 107 | 68 488 |
| Other administrative expenses | | 865 | 3 844 | 3 887 | - | 1 643 | 10 238 |
| Goods and services received free of charge | | - | - | - | - | 19 128 | 19 128 |
| Grants and subsidies expenses | | | | | | | |
| Current | | - | 1 624 | 6 870 | 486 | - | 8 980 |
| Capital | | 8 480 | 2 938 | 1 619 | - | - | 13 037 |
| Interest expenses | 8 | - | 1 | 94 | - | 21 | 116 |
| TOTAL EXPENSES | | 129 168 | 55 671 | 241 131 | 13 169 | 30 554 | 469 692 |
| NET SURPLUS/(DEFICIT) | | (4 088) | (5 571) | (58 474) | 3 283 | 1 609 | (63 240) |
| OTHER COMPREHENSIVE INCOME | | | | | | | |
| Items that will not be reclassified to net surplus/deficit | | | | | | | |
| Changes in asset revaluation surplus | | - | (28 864) | 60 944 | - | - | 32 080 |
| Transfers from Reserves | | - | 2 049 | - | - | - | 2 049 |
| TOTAL OTHER COMPREHENSIVE INCOME | | - | (26 815) | 60 944 | - | - | 34 129 |
| COMPREHENSIVE RESULT | | (4 088) | (32 386) | 2 470 | 3 283 | 1 609 | (29 111) |

The comprehensive operating statement by output group is to be read in conjunction with the notes to the financial statements.



3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP (continued)

| | | Infrastructure Investment Program, Support and Delivery | Lands and Planning | Logistics Infrastructure and Services | Housing Program Office | Corporate and Shared Services | Total |
|---|-------|--|--------------------------|---|------------------------------|-------------------------------------|------------------|
| | Note | 2020 | 2020 | 2020 | 2020 | 2020 | 2020 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| INCOME | | | | | | | |
| Grants and subsidies revenue | 4a | | | | | | |
| Current | | - | - | 550 | - | - | 550 |
| Capital | | - | - | 580 | - | - | 580 |
| Appropriation | 4b | | | | | | |
| Output | | 118 449 | 36 634 | 148 319 | - | 10 483 | 313 885 |
| Commonwealth | | - | - | 20 144 | - | - | 20 144 |
| Sales of goods and services | 4c | 3 | 3 610 | 14 024 | - | 451 | 18 088 |
| Interest revenue | | - | 41 | - | - | - | 41 |
| Goods and services received free of charge | 5 | - | - | - | - | 19 712 | 19 712 |
| Gain on disposal of assets | 6 | - | 666 | - | - | - | 666 |
| Other income | 4d | 15 | 1 744 | 156 | - | 886 | 2 801 |
| TOTAL INCOME | | 118 467 | 42 695 | 183 773 | - | 31 532 | 376 467 |
| EXPENSES | | | | | | | |
| Employee expenses | | 32 972 | 18 795 | 38 197 | - | 5 912 | 95 876 |
| Administrative expenses | | | | | | | |
| Property management | | 196 | 6 246 | 6 436 | - | 642 | 13 520 |
| Purchases of goods and services | 7a | 3 583 | 6 912 | 56 412 | - | 2 783 | 69 690 |
| Repairs and maintenance | 7b | 72 909 | 7 370 | 61 836 | - | - | 142 115 |
| Depreciation and amortisation | 16,17 | 4 533 | 7 202 | 81 355 | - | 110 | 93 200 |
| Other administrative expenses | | 3 454 | 4 379 | 1 921 | - | 241 | 9 995 |
| Goods and services received free of charge | | - | - | - | - | 19 712 | 19 712 |
| Grants and subsidies expenses | | | | | | | |
| Current | | - | 1 664 | 8 186 | - | - | 9 850 |
| Capital | | - | 10 319 | 1 297 | - | - | 11 616 |
| Interest expenses | 8 | - | - | 143 | - | 22 | 165 |
| TOTAL EXPENSES | | 117 647 | 62 887 | 255 783 | - | 29 422 | 465 739 |
| NET SURPLUS/(DEFICIT) | | 820 | (20 192) | (72 010) | - | 2 110 | (89 272) |
| OTHER COMPREHENSIVE INCOME | | | | | | | |
| Items that will not be reclassified to net surplus/deficit | | | | | | | |
| Changes in asset revaluation surplus | | - | (18 622) | 1 878 650 | - | - | 1 860 028 |
| Transfers from Reserves | | - | 13 800 | - | - | - | 13 800 |
| TOTAL OTHER COMPREHENSIVE INCOME | | - | (4 822) | 1 878 650 | - | - | 1 873 828 |
| COMPREHENSIVE RESULT | | 820 | (25 014) | 1 806 640 | - | 2 110 | 1 784 556 |

The 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 2021

4. REVENUE

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.

a) Grants and subsidies revenue

| | 2021 | | | 2020 | | |
|---|---------------------------------------|------------|---------------|---------------------------------------|------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | Revenue from contracts with customers | Other | Total | Revenue from contracts with customers | Other | Total |
| Current grants | 10 928 | 316 | 11 244 | - | 550 | 550 |
| Capital grants | 2 752 | - | 2 752 | 580 | - | 580 |
| TOTAL GRANTS AND SUBSIDIES REVENUE | 13 680 | 316 | 13 996 | 580 | 550 | 1 130 |

Grants revenue is recognised at fair value exclusive of the amount of GST.

Where a grant agreement is enforceable and has sufficiently specific performance obligations for the Department to transfer goods or services to the grantor or a third party beneficiary, the transaction is accounted for under AASB 15. In this case, revenue is initially deferred as a contract liability when received in advance and recognised as or when the performance obligations are satisfied.

Current grants revenue encompasses Commonwealth funds received for:

- reimbursement of Department expenditure for public health and compliance service costs due to COVID-19,
- Remote Planning Framework,
- Street Smart Funding,
- Drink and Drug Online Learning Resource Project,
- Resealing under the Regional Aviation Access Program (RAAP).

Capital grants revenue encompasses Commonwealth funds received for Pirlangimpi subdivision land servicing.

A financing component for consideration is only recognised if it is significant to the contract and the period between the transfer of goods and services and receipt of consideration is more than one year. For the 2020-21 and 2019-20 reporting periods, there were no adjustments for the effects of a significant financing component.

Where grant agreements do not meet the criteria above, they are accounted for under AASB 1058 and income is recognised on receipt of funding except for capital grants revenue received for the purchase or construction of non-financial assets to be controlled by the Department. Capital grants with enforceable contracts and sufficiently specific obligations are recognised as an unearned revenue liability when received and subsequently recognised progressively as revenue or when the Department satisfies its obligations under the agreement. Where a non-financial asset is purchased, revenue is recognised at the point in time the asset is acquired and control transfers to the Department.

For constructed assets, revenue is recognised over time, using the percentage of completion method, measured as the costs incurred as a proportion of estimated total project costs.

Grant revenue, passed on from a Territory Government-controlled entity with the exception of the Central Holding Authority, is recognised upfront on receipt, irrespective of which revenue accounting standard it may fall under in accordance with the Treasurer's Direction on income.

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.



4. REVENUE (continued)

Grant agreements that satisfy recognition requirements under AASB 15 are disaggregated below.

| | 2021 | 2020 |
|--|---------------|------------|
| | \$'000 | \$'000 |
| Type of good and service: | | |
| Construction services | 4 510 | 580 |
| Other | 9 170 | - |
| TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY GOOD OR SERVICE | 13 680 | 580 |
| Type of customer: | | |
| Australian Government entities | 13 680 | 580 |
| State and territory governments | - | - |
| Non-government entities | - | - |
| TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY TYPE OF CUSTOMER | 13 680 | 580 |
| Timing of transfer of goods and services: | | |
| Over time | 13 630 | 580 |
| Point in time | 50 | - |
| TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY TIMING OF TRANSFER | 13 680 | 580 |

b) Appropriation

| | 2021 | | | 2020 | | |
|----------------------------|---|----------------|----------------|---|----------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | Revenue from contracts with customers | Other | Total | Revenue from contracts with customers | Other | Total |
| Output | - | 316 059 | 316 059 | - | 313 885 | 313 885 |
| Commonwealth | - | 26 287 | 26 287 | - | 20 144 | 20 144 |
| TOTAL APPROPRIATION | - | 342 346 | 342 346 | - | 334 029 | 334 029 |

Output appropriation is the operating payment to each Department for the outputs they provide as specified in the *Appropriation Act*. It does not include any allowance for major non-cash costs such as depreciation. Output appropriations do not have sufficiently specific performance obligations and are recognised on receipt of funds.

Commonwealth appropriation follows from the inter-governmental 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 passed on to the relevant agencies as Commonwealth appropriation.

Where appropriation received has an enforceable contract with sufficiently specific performance obligations as defined in AASB 15, revenue is recognised as and when goods and or services are transferred to the customer or third party beneficiary. Otherwise revenue is recognised when the Department gains control of the funds.

Where appropriation received has an enforceable contract with sufficiently specific performance obligations as defined in AASB 15, revenue is recognised as and when goods and or services are transferred to the customer or third party beneficiary. Otherwise revenue is recognised when the Department gains control of the funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

4. REVENUE (continued)

c) Sales of goods and services

| | 2021 | | | 2020 | | |
|--|---|-----------------|-----------------|---|-----------------|-----------------|
| | \$'000 Revenue from contracts with customers | \$'000 Other | \$'000 Total | \$'000 Revenue from contracts with customers | \$'000 Other | \$'000 Total |
| Sales of goods and services | 4 344 | 13 595 | 17 939 | 4 651 | 13 437 | 18 088 |
| TOTAL SALES OF GOODS AND SERVICES | 4 344 | 13 595 | 17 939 | 4 651 | 13 437 | 18 088 |

Revenue from regulatory fees is recognised when the Department satisfies its performance obligations. These include taxes and certain rents collected on behalf of the Central Holding Authority. Refer to Note 32 Schedule of Administered Territory items.

Sale of goods and rendering of services

Revenue from sales of goods is recognised when the Department satisfies a performance obligation by transferring the promised goods. The Department typically satisfies its performance obligations when control of goods is transferred to the customers. The payments are typically due at that point in time.

Revenue from these sales are based on the price specified in the contract, and revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. There is no element of financing present as sales are made with a short credit term.

Revenue from rendering of services is recognised when the Department satisfies the performance obligation by transferring the promised services. The Department typically satisfies its performance obligations for the majority of services it renders at a point in time deemed to occur when the Department delivers the promised services. Services rendered over time relate to the fulfilment of annual service level agreements. Rental income arising from operating leases is accounted for on a straight-line basis over the lease term.

The Department records goods and services revenue from a range of fees and charges which are not limited to:

- Frances Bay Mooring Basin operations
- Motor Vehicle Registry operations
- Land business advisory services
- Land development assessment services
- Service level agreements
- Bus ticket sales
- Property rents.



4. REVENUE (continued)

Revenue from contracts with customers have been disaggregated below into categories to enable users of these financial statements to understand the nature, amount, timing and uncertainty of income and cash flows. These categories include a description of the type of product or service line, type of customer and timing of transfer of goods and services.

| | 2021 | 2020 |
|--|--------------|--------------|
| | \$'000 | \$'000 |
| Type of good and service: | | |
| Service delivery | 855 | 1 022 |
| Other | 3 479 | 3 629 |
| TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY GOOD OR SERVICE | 4 334 | 4 651 |
| Type of customer: | | |
| State and Territory Government | 308 | 220 |
| Non-government entities | 4 026 | 4 431 |
| TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY TYPE OF CUSTOMER | 4 334 | 4 651 |
| Timing of transfer of goods and services: | | |
| Over time | 308 | 260 |
| Point in time | 4 026 | 4 391 |
| TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS BY TIMING OF TRANSFER | 4 334 | 4 651 |

d) Other income

| | 2021 | | | 2020 | | |
|---------------------------|---------------------------------------|---------------|---------------|---------------------------------------|--------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| | Revenue from contracts with customers | Other | Total | Revenue from contracts with customers | Other | Total |
| Other income | - | 12 024 | 12 024 | - | 2 801 | 2 801 |
| TOTAL OTHER INCOME | - | 12 024 | 12 024 | - | 2 801 | 2 801 |

Donated assets include assets received at below fair value or for nil consideration that can be measured reliably. These are recognised as revenue at their fair value when control over the assets is obtained, normally either on receipt of the assets or on notification the assets have been secured, unless received from another government entity as a consequence of a restructuring of administrative arrangements.

Other income encompasses revenue items reported under AASB 1058 such as the recovery of specific Department expenditure items as well as under AASB 16 being finance lease income. For the year ended 30 June 2021 the Department reported other income of \$7.9 million which relates to the recognition of the surrender of land for nil consideration.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

5. GOODS AND SERVICES RECEIVED FREE OF CHARGE

| | 2021 | 2020 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Corporate and information services | 19 128 | 19 712 |
| TOTAL GOODS AND SERVICES RECEIVED FREE OF CHARGE | 19 128 | 19 712 |

Resources received free of charge are recognised as revenue when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense. Resources received free of charge are recorded as either revenue or gains depending on their nature.

Corporate services staff and functions are centralised and provided by the Department of Corporate and Digital Development and forms part of the goods and services received free of charge by the Department.

6. GAIN ON DISPOSAL OF ASSETS

| | 2021 | 2020 |
|--|--------------|------------|
| | \$'000 | \$'000 |
| Net proceeds from the disposal of non-current assets | 1 464 | 13 903 |
| Less: Carrying value of non-current assets disposed | (460) | (13 237) |
| TOTAL GAIN ON DISPOSAL OF ASSETS | 1 005 | 666 |



7a. PURCHASES OF GOODS AND SERVICES

The net deficit has been arrived at after charging the following expenses:

| | 2021 | 2020 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Goods and services expenses: | | |
| Agency service arrangements ¹ | 44 634 | 45 390 |
| Information technology charges and communications | 10 711 | 9 758 |
| Equipment expenses | 3 847 | 1 959 |
| Consultants ² | 2 228 | 870 |
| Motor vehicle expenses | 2 169 | 2 202 |
| Memberships | 1 131 | 943 |
| Insurance | 916 | 923 |
| Bank charges | 808 | 633 |
| Legal expenses ³ | 676 | 843 |
| Survey, drafting and drilling | 668 | 630 |
| Training and study | 592 | 441 |
| Official duty fares | 555 | 667 |
| Marketing and promotion ⁴ | 553 | 657 |
| Freight | 477 | 521 |
| Regulatory, advisory boards, committees | 466 | 451 |
| Travelling allowance | 273 | 237 |
| Accommodation | 246 | 228 |
| Document production | 175 | 113 |
| Recruitment ⁵ | 105 | 82 |
| Advertising ⁶ | 79 | 149 |
| Other | 2 697 | 1 993 |
| TOTAL PURCHASES OF GOODS AND SERVICES | 74 006 | 69 690 |

(1) Includes bus contracts.

(2) Includes marketing, promotion and IT consultants.

(3) Includes legal fees, claims and settlement costs.

(4) Includes advertising for marketing and promotion but excludes marketing and promotion consultants' expenses, which are incorporated in the consultants' category.

(5) Includes recruitment related advertising costs.

(6) Does not include recruitment advertising or marketing and promotion advertising.

Purchases of goods and services generally represent the day-to-day running costs incurred in normal operations, including supplies and service costs recognised in the reporting period in which they are incurred.

7b. REPAIRS AND MAINTENANCE EXPENSE

Costs associated with repairs and maintenance works on Department assets are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

8. INTEREST EXPENSE

| | 2021 | 2020 |
|---------------------------------|------------|------------|
| | \$'000 | \$'000 |
| Interest from lease liabilities | 116 | 165 |
| TOTAL INTEREST EXPENSE | 116 | 165 |

Interest expenses consist of interest and other costs incurred in connection with the borrowing of funds. It includes interest on lease liabilities.



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

| | Agency | | | | Territory Items | | | |
|---|------------|------------|--------------|------------|-----------------|-----------|----------|----------|
| | 2021 | No. of | 2020 | No. of | 2021 | No. of | 2020 | No. of |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Write-offs, Postponements and Waivers Under the <i>Financial Management Act 1995</i> | | | | | | | | |
| Represented by: | | | | | | | | |
| <i>Amounts written off, postponed and waived by Delegates</i> | | | | | | | | |
| Irrecoverable amounts payable to the Territory or an agency written off | 3 | 1 | 2 | 6 | - | 1 | - | - |
| Losses or deficiencies of money written off | 1 | 7 | - | 6 | - | - | - | - |
| Public property written off | 359 | 102 | 365 | 2 | - | - | - | - |
| Waiver or postponement of right to receive or recover money or property | - | - | - | - | - | - | - | - |
| TOTAL WRITTEN OFF, POSTPONED AND WAIVED BY DELEGATES | 363 | 110 | 367 | 14 | - | 1 | - | - |
| <i>Amounts written off, postponed and waived by the Treasurer</i> | | | | | | | | |
| Write-offs, postponements and waivers due to COVID-19 ⁽¹⁾ | 27 | 14 | 505 | 337 | 846 | 94 | - | - |
| Irrecoverable amounts payable to the Territory or an agency written off | - | - | - | - | 4 | 2 | - | - |
| Losses or deficiencies of money written off | - | - | - | - | - | - | - | - |
| Public property written off | - | - | 1 216 | 1 | - | - | - | - |
| Waiver or postponement of right to receive or recover money or property | - | - | - | - | - | - | - | - |
| TOTAL WRITTEN OFF, POSTPONED AND WAIVED BY THE TREASURER | 27 | 14 | 1 721 | 338 | 850 | 96 | - | - |
| Write-offs, postponements and waivers authorised under other legislation | - | - | - | - | - | - | - | - |
| Gifts under the <i>Financial Management Act 1995</i> | | | | | | | | |
| Other | 2 | 7 | 2 | 13 | - | - | - | - |
| Gifts by delegate | 2 | 7 | 2 | 13 | - | - | - | - |
| Gifts by Treasurer | - | - | - | - | - | - | - | - |
| Gifts authorised under other legislation ⁽²⁾ | 754 | 6 | 610 | 2 | - | - | - | - |
| Ex gratia payments under the <i>Financial Management Act 1995</i> | - | - | - | - | - | - | - | - |

(1) To ease financial hardship faced by individuals and businesses as a result of COVID-19, the Treasurer approved a modified debt recovery process and postponed the payment date for a number of regulatory fees and charges.

(2) Gifted under provisions of the *Crown Lands Act 1992*.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

10. CASH AND DEPOSITS

| | 2021 | 2020 |
|--------------------------------|----------------|----------------|
| | \$'000 | \$'000 |
| Cash on hand | 25 | 25 |
| Cash at bank | 302 044 | 141 146 |
| TOTAL CASH AND DEPOSITS | 302 069 | 141 171 |

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 31.

11. CASH FLOW RECONCILIATION

a) Reconciliation of cash

The total of Department 'Cash and deposits' of \$302 069 141 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

| | 2021 | 2020 |
|--|-----------------|-----------------|
| | \$'000 | \$'000 |
| Net Deficit | (63 240) | (89 272) |
| Non-cash items: | | |
| Depreciation and amortisation | 68 488 | 93 200 |
| Asset write-offs/write-downs | 8 909 | 8 794 |
| Asset donations/gifts | 754 | 610 |
| Gain on disposal of assets | (1 005) | (666) |
| Repairs and maintenance non-cash | 2 968 | 10 318 |
| Assets acquired for nil consideration | (7 890) | - |
| Changes in assets and liabilities: | | |
| Decrease/(Increase) in Receivables | (5 731) | (8 267) |
| Decrease/(Increase) in Prepayments | 17 | - |
| Decrease/(increase) in other assets | (1 492) | (1 394) |
| (Decrease)/Increase in Payables | 4 418 | 783 |
| (Decrease)/Increase in Provision for Employee Benefits | 1 224 | 1 856 |
| (Decrease)/Increase in Other Provisions | 422 | 338 |
| (Decrease)/Increase in Other Liabilities | 10 804 | (428) |
| NET CASH FROM OPERATING ACTIVITIES | 18 646 | 15 872 |

11. CASH FLOW RECONCILIATION (CONTINUED)

b) Reconciliation of liabilities arising from financing activities

| 2020-21 | Cash Flows | | | | Non-Cash | | | | |
|---------------|-------------------|-----------------|----------------|---------------------------------|------------------|---|---------------------------------|------------------------------|------------------|
| | Deposits Received | Finance Leases | Appropriation | Equity Injection/ (Withdrawals) | Total Cash Flows | Lease Acquisitor and other movements (remeasurements/transfers) | Other Liability Related Changes | Other Equity Related Changes | Total Non-Cash |
| 1 July | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Deposits Held | 58 748 | - | - | - | (13 347) | - | - | - | 45 402 |
| Borrowings | 7 922 | (6 974) | - | - | (6 974) | 5 981 | - | - | 6 928 |
| Provisions | 14 589 | - | - | - | - | - | 1 647 | - | 16 236 |
| Other | - | - | 742 756 | (3 758) | 738 998 | - | (352 444) | (352 444) | 386 554 |
| TOTAL | 81 259 | (13 347) | 742 756 | (3 758) | 718 677 | 5 981 | - | (350 797) | (344 816) |

2019-20

| Recognised on AASB 16 adoption | Cash Flows | | | | Non-Cash | | | | | | |
|--------------------------------|---------------|-----------------|-------------------|----------------|----------------|---------------------------------|------------------|---|---------------------------------|------------------------------|----------------|
| | 1 July | Adjusted 1 July | Deposits Received | Finance Leases | Appropriation | Equity Injection/ (Withdrawals) | Total Cash Flows | Lease Acquisitions and other movements (remeasurements/transfers) | Other Liability Related Changes | Other Equity Related Changes | Total Non-Cash |
| 1 July | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Deposits Held | 34 414 | - | 24 334 | - | - | 24 334 | - | - | - | - | 58 748 |
| Borrowings | 385 | 14 320 | - | (6 920) | - | (6 920) | - | 136 | - | - | 7 922 |
| Provisions | 12 394 | - | - | - | - | - | - | - | 2 195 | - | 14 589 |
| Other | - | - | - | - | 443 986 | (2 599) | 441 387 | - | - | (261 727) | 179 658 |
| TOTAL | 47 193 | 14 320 | 24 334 | (6 920) | 443 986 | (2 599) | 458 802 | 136 | 2 195 | (261 727) | 260 917 |

c) Non-cash financing and investing activities

Lease Transactions

During the financial year, the Department recorded right-of-use assets for the lease of buildings, and other assets located on Aboriginal land with an aggregate value of \$7 444 (2020:\$135 776).



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

12. RECEIVABLES

| | 2021 | 2020 |
|---------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Current | | |
| Accounts receivable | 8 372 | 9 942 |
| Less: Loss allowance | (2 766) | (2 263) |
| Accrued contract revenue | 5 056 | - |
| Less: Loss allowance | - | - |
| | 10 662 | 7 679 |
| GST receivables | 16 240 | 13 324 |
| Other receivables | 41 719 | 11 961 |
| Prepaid expenses ^(a) | 11 970 | 17 699 |
| | 69 929 | 42 984 |
| TOTAL RECEIVABLES | 80 591 | 50 663 |

(a) Prepaid expense comprises:

| | | |
|--------------------------------|---------------|---------------|
| Current | | |
| Prepaid land and capital works | 8 920 | 8 920 |
| Prepaid capital works | 2 600 | 8 311 |
| Other | 429 | 459 |
| Salary advances | 21 | 9 |
| TOTAL PREPAID EXPENSES | 11 970 | 17 699 |

Receivables are initially recognised when the Department becomes a party to the contractual provisions of the instrument and are measured at fair value less any directly attributable transaction costs. Receivables include contract receivables, accounts receivable, accrued contract revenue, GST and other receivables and prepaid expenses.

Receivables are subsequently measured at amortised cost using the effective interest method, less any impairments.

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 accounts receivables the Department estimates are likely to be uncollectible and are considered doubtful.

Accrued contract revenue

Accrued contract revenue arise from contracts with customers where the Department's right to consideration in exchange for goods transferred to customers or works completed have arisen but have not been billed at the reporting date. Once the Department's rights to payment becomes unconditional, usually on issue of an invoice, accrued contract revenue balances are reclassified as contract receivables. Accrued revenue that does not arise from contracts with customers are reported as part of other receivables.

Prepayment

Prepaid expenses 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.



12. RECEIVABLES (continued)

Credit risk exposure of receivables

Receivables are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The Department applies the simplified approach to measuring expected credit losses. This approach recognises a loss allowance based on monthly analysis throughout 2020-21 of actual collection rates of all accounts receivable and contract receivables. This monthly percentage is averaged for the year and applied to the outstanding accounts receivable and contract receivables balance at the end of the financial year. Further macroeconomic trends were not applied to the expected credit loss as these factors were inherently included through the decrease in the observed collection rate directly attributable to the current COVID-19 environment.

In accordance with the provisions of the *Financial Management Act*, 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.

Due to COVID-19, the Department's credit risk exposure has increased and is reflected in the expected credit losses reported. To ease financial hardship faced by individuals and businesses as a result of COVID-19, the Territory Government modified its debt recovery process and postponed the payment date for a number of regulatory fees and charges. This has been reflected in the expected credit loss recorded within the reporting period.

The loss allowance for receivables and reconciliation as at the reporting date is disclosed below.

Loss allowance for receivables

| | 2021 | | | | 2020 | | | |
|-----------------------------------|-------------------|-----------|------------------------|-----------------|-------------------|-----------|------------------------|-----------------|
| | Gross receivables | Loss rate | Expected credit losses | Net receivables | Gross receivables | Loss rate | Expected credit losses | Net receivables |
| | \$'000 | % | \$'000 | \$'000 | \$'000 | % | \$'000 | \$'000 |
| Internal receivables | | | | | | | | |
| Not overdue | 93 | 65.0% | (60) | 33 | 222 | 0% | - | 222 |
| Overdue for less than 30 days | - | 0% | - | - | - | 0% | - | - |
| Overdue for 30 to 60 days | - | 0% | - | - | - | 0% | - | - |
| Overdue for more than 60 days | - | 0% | - | - | - | 0% | - | - |
| TOTAL INTERNAL RECEIVABLES | 93 | | (60) | 33 | 222 | | - | 222 |
| External receivables | | | | | | | | |
| Not overdue | 173 | 65.0% | (112) | 61 | 1 100 | 0% | - | 1 100 |
| Overdue for less than 30 days | 24 | 84.2% | (20) | 4 | 1 257 | 33.5% | (421) | 836 |
| Overdue for 30 to 60 days | 22 | 81.9% | (18) | 4 | 30 | 74.8% | (22) | 8 |
| Overdue for more than 60 days | 2 560 | 99.8% | (2 555) | 5 | 1 833 | 99.3% | (1 820) | 13 |
| Overdue for more than 60 days | 5 500 | 0% | - | 5 500 | 5 500 | 0% | - | 5 500 |
| TOTAL EXTERNAL RECEIVABLES | 8 279 | | (2 706) | 5 573 | 9 720 | | (2 263) | 7 457 |

Total amounts disclosed exclude statutory amounts, accrued contract and other revenue and prepaid expenses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

12. RECEIVABLES (continued)

Reconciliation of loss allowance for receivables

| | 2021 | 2020 |
|--|----------------|----------------|
| | \$'000 | \$'000 |
| Internal receivables | | |
| Opening balance | - | - |
| Written off during the year | - | - |
| Recovered during the year | - | - |
| Increase in allowance recognised in profit or loss | (60) | - |
| TOTAL INTERNAL RECEIVABLES | (60) | - |
| External receivables | | |
| Opening balance | (2 263) | (1 675) |
| Written off during the year | 37 | 2 |
| Recovered during the year | - | - |
| Increase in allowance recognised in profit or loss | (480) | (590) |
| TOTAL EXTERNAL RECEIVABLES | (2 706) | (2 263) |

13. ASSETS HELD FOR SALE

| | 2021 | 2020 |
|-----------------------------------|---------------|--------------|
| | \$'000 | \$'000 |
| Current | | |
| Land | 18 277 | 2 214 |
| TOTAL ASSETS HELD FOR SALE | 18 277 | 2 214 |

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 or 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.

In accordance with legislation and policy the Territory releases Crown land for development and community purposes.

The Territory continues to manage a range of development agreements to provide residential and industrial land to support economic development across the Territory. The Territory also closely monitors land availability and plans for future land supply.

Land held for sale include those contracted for sale and not yet settled at 30 June as well as those being available for sale within the next twelve months.



14. ADVANCES AND INVESTMENTS

| | 2021 | 2020 |
|---------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Non-Current | | |
| Advances paid | 1 036 | 1 008 |
| Less: Loss allowance | - | - |
| TOTAL ADVANCES AND INVESTMENTS | 1 036 | 1 008 |

Advances paid

During 2012-13, the Department 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 paid are recognised initially at fair value plus or minus relevant transaction costs and are recognised in the balance sheet when the Department 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 26. The difference between the amount lent and the fair value is recognised as an expense in the comprehensive operating statement.

Subsequently, advances paid are measured at amortised cost using the effective interest method. The average discount rate used to calculate the amortised cost is 4.31 per cent.

Loss allowances on advances paid reflect either 12-month or lifetime expected credit losses depending on changes in credit risk and represents the amount of advances paid the Department estimates are likely to be uncollectible and are considered doubtful.

No loss allowance has been recognised for the Department as all advances are expected to be collected in full.

Credit risk exposure of advances paid

Advances paid are monitored on an ongoing basis to ensure exposure to bad debts is not significant. The Department 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

15. OTHER ASSETS

| | 2021 | 2020 |
|---------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Non-Current | | |
| Lease receivable | 22 794 | 21 302 |
| TOTAL OTHER ASSETS | 22 794 | 21 302 |

a) Agency as a lessor

Leases under which the Department assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

Subleases are classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A sublease is an arrangement where the underlying asset is re-leased by a lessee (intermediate lessor) to another party, and the lease (head lease) between the head lessor and original lessee remains in effect.

Finance leases

At the lease commencement date, the entity recognises a receivable for assets held under a finance lease in its statement of financial position at an amount equal to the net investment in the lease. The net investment in leases is classified as financial assets amortised cost and equals the lease payments receivable by a lessor and the unguaranteed residual value, plus initial direct costs, discounted using the interest rate implicit in the lease Initial direct costs.

Finance income arising from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Port of Darwin Lease

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.

Any leasehold improvements over and above those already anticipated in the leased assets' residual value will be accounted for at the end of the 99 years when the asset return to the Territory. The lease terms provide the Territory the option to buy back identified port assets for a nominal amount and to buy or lease, for nominal consideration, additional port land purchased or leased by Landbridge during the 99 year term and used for port purposes.



15. OTHER ASSETS (continued)

Future minimum lease receipts under the finance lease as at 30 June are as follows:

| | 2021 | 2020 |
|---|-------------------|-------------------|
| | \$'000 | \$'000 |
| Not later than one year | 1 596 | 1 492 |
| Later than one year and not later than five years | 7 585 | 7 088 |
| Later than five years | 13 191 248 | 13 193 341 |
| TOTAL | 13 200 429 | 13 201 921 |

Reconciliation of net investment in the lease at 30 June is as follows:

| | 2021 | 2020 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Future undiscounted rental receivable | 13 223 223 | 13 223 223 |
| Unguaranteed residual amounts - undiscounted | - | - |
| Less: Unearned finance income | (13 200 429) | (13 201 921) |
| NET INVESTMENT IN FINANCE LEASE | 22 794 | 21 302 |

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 2021, 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.

Operating leases

An operating lease is a lease other than a finance lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are

added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

The Department owns land and buildings that are leased to tenants under operating lease arrangements with rentals payable monthly. Lease payments for some contracts include Consumer Price Index (CPI) increases, however there are no other variable lease payments that depend on an index or rate.

The leases at the Frances Bay Mooring Basin and Sadgroves Creek are generally for a 12 month licence with an option to extend annually up to 5 years. Rental receivable greater than one year is not certain.

Some leased buildings are inter-agency arrangements. Other land and building leased assets are external arrangements.

The Department subleases floor space at the Jabiru Government Centre expiring on 30 June 2021. These are an inter-agency arrangement which includes Power and Water Corporation. These arrangements are currently on a periodic status until new agreements can be finalised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

15. OTHER ASSETS (continued)

Future minimum rentals receivable (undiscounted) under non-cancellable operating lease as at 30 June are as follows:

| | 2021 | 2020 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Not later than one year | 939 | 962 |
| Later than one year and not later than five years | 1 247 | 1 247 |
| Later than five years | - | - |
| TOTAL | 2 186 | 2 209 |

b) Contract cost asset

Costs to obtain a contract are expensed where goods and services will be transferred within one year or less and only capitalised if deemed material. Territory Government employee costs that satisfy the criteria for recognition as a cost to fulfil a contract are not capitalised and expensed immediately. Other costs to fulfil a contract are accounted for as a contract cost asset if deemed material. For the 2020-21 and 2019-20 reporting periods, no costs were capitalised as a contract cost asset.



16. PROPERTY, PLANT AND EQUIPMENT

a) Total property, plant and equipment

| | 2021 | Restated 2020 |
|--|------------------|------------------|
| | \$'000 | \$'000 |
| Land | | |
| At fair value | 803 937 | 836 200 |
| Buildings | | |
| At fair value | 169 084 | 219 389 |
| Less: accumulated depreciation | (79 908) | (130 146) |
| | 89 176 | 89 243 |
| Infrastructure | | |
| At fair value | 10 998 756 | 10 837 213 |
| Less: accumulated depreciation | (3 637 370) | (3 660 530) |
| | 7 361 386 | 7 176 683 |
| Construction (Work in Progress) | | |
| At capitalised cost | 763 067 | 657 165 |
| Plant and equipment | | |
| At fair value | 9 947 | 13 884 |
| Less: accumulated depreciation | (6 982) | (8 325) |
| | 2 965 | 5 559 |
| Computer hardware | | |
| At fair value | 1 044 | 1 066 |
| Less: accumulated depreciation | (621) | (541) |
| | 423 | 525 |
| Transport equipment | | |
| At fair value | 68 | 96 |
| Less: accumulated depreciation | (68) | (84) |
| | - | 12 |
| Land leases | | |
| At capitalised cost | 577 | 569 |
| Less: accumulated depreciation | (104) | (88) |
| | 473 | 481 |
| Transport equipment leases | | |
| At capitalised cost | 20 294 | 14 320 |
| Less: accumulated depreciation | (13 935) | (6 963) |
| | 6 359 | 7 357 |
| TOTAL PROPERTY, PLANT AND EQUIPMENT | 9 027 786 | 8 773 225 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

16. PROPERTY, PLANT AND EQUIPMENT (continued)

2021 Property, Plant and Equipment Reconciliations

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. Further information on right-of-use assets are disclosed in Note 16. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of year is set out below:

| | Land | Buildings | Infrastructure | Construction (work in progress) | Plant and equipment | Computer Hardware | Transport Equipment | Land Leases | Transport Equipment Leases | Total |
|---|-------------------|------------------|---------------------|---------------------------------------|------------------------|----------------------|------------------------|----------------|----------------------------------|---------------------|
| Carrying Amount as at 1 July 2020 | \$'000 836 200 | \$'000 89 243 | \$'000 7 176 683 | \$'000 657 165 | \$'000 5 559 | \$'000 525 | \$'000 12 | \$'000 481 | \$'000 7 357 | \$'000 8 773 225 |
| Additions | - | - | 934 | 592 847 | 25 | - | - | - | - | 593 806 |
| Disposals | (460) | - | - | - | - | - | - | - | - | (460) |
| Depreciation expense - asset owned | - | (5 144) | (55 022) | - | (777) | (102) | (1) | - | - | (61 046) |
| Amortisation expense - right-of-use asset | - | - | - | - | - | - | - | (16) | (6 972) | (6 988) |
| Additions/disposals from asset transfers | 20 201 | 12 696 | 177 978 | (486 945) | (139) | - | - | - | - | (276 209) |
| Revaluation increments/ decrements | (35 941) | (851) | 60 944 | - | - | - | - | 8 | 5 974 | 30 134 |
| Impairment losses | - | (6 768) | (131) | - | (1 703) | - | (11) | - | - | (8 613) |
| Transfer to/from assets for sale | (16 063) | - | - | - | - | - | - | - | - | (16 063) |
| CARRYING AMOUNT AS AT 30 JUNE 2021 | 803 937 | 89 176 | 7 361 386 | 763 067 | 2 965 | 423 | - | 473 | 6 359 | 9 027 786 |

16 PROPERTY, PLANT AND EQUIPMENT (continued)

2020 Property, Plant and Equipment Reconciliations

Property, plant and equipment includes right-of-use assets under AASB 16 Leases. Further information on right-of-use assets are disclosed in Note 16. A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of year is set out below:

| | Land | Buildings | Infrastructure | Construction (work in progress) | Plant and equipment | Computer Hardware | Transport Equipment | Land Leases | Transport Equipment Leases | Restated Total |
|--|----------|-----------|----------------|---------------------------------------|------------------------|----------------------|------------------------|----------------|----------------------------------|-------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | |
| Carrying Amount as at 1 July 2019 | 883 481 | 87 732 | 5 093 874 | 785 704 | 6 605 | 52 | 15 | 361 | - | 6 857 824 |
| Reclassification ¹ | - | - | - | - | - | - | - | 136 | - | 136 |
| Recognition of right-of-use assets on initial adoption of AASB 16 | - | - | - | - | - | - | - | - | 14 320 | 14 320 |
| Prior Year Error Waterfront Land - revalued land ² | (34 838) | - | - | - | - | - | - | - | - | (34 838) |
| Adjusted carrying amount as at 1 July 2019 | 848 643 | 87 732 | 5 093 874 | 785 704 | 6 605 | 52 | 15 | 497 | 14 320 | 6 837 442 |
| Additions | 2 017 | - | 181 | 425 824 | - | 338 | - | - | - | 428 360 |
| Disposals | (13 237) | - | - | - | - | - | - | - | - | (13 237) |
| Depreciation expense – asset owned | - | (8 732) | (76 310) | - | (731) | (44) | (3) | - | - | (85 820) |
| Amortisation expense – right-of-use asset | - | - | - | - | - | - | - | (16) | (6 963) | (6 979) |
| Additions/disposals from administrative restructuring | - | - | - | - | - | (23) | - | - | - | (23) |
| Additions/disposals from asset transfers | (2 574) | 6 539 | 285 528 | (554 365) | (271) | 202 | - | - | - | (264 941) |
| Revaluation increments/decrements | (172) | 5 241 | 1 873 410 | - | - | - | - | - | - | 1 878 479 |
| Impairment losses | - | (1 537) | - | - | (44) | - | - | - | - | (1 581) |
| Transfer to/from assets for sale | 1 523 | - | - | - | - | - | - | - | - | 1 523 |
| CARRYING AMOUNT AS AT 30 JUNE 2020 | 836 200 | 89 243 | 7 176 683 | 657 165 | 5 559 | 525 | 12 | 481 | 7 357 | 8 773 225 |

¹ Existing finance lease asset under AASB 117 are reclassified and presented under the corresponding underlying asset from 1 July 2019.

² During 2020-21, the Department identified that some developed land parcels that were owned by the Darwin Waterfront Corporation had not been derecognised. This error resulted in an overstatement in net assets and net worth in both the general government and total public sectors of \$34.838 million. As this restatement also impacts prior financial years, the 2019-20 opening balances have also been restated to decrease property, plant and equipment balances by \$34.838 million with a corresponding reduction to asset revaluation reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

16. PROPERTY, PLANT AND EQUIPMENT (continued)

b) Property, plant and equipment held and used by the Department

A reconciliation of the carrying amount of property, plant and equipment held and used by the Department is set out below:

| | Land | Buildings | Infrastructure | Construction (work in progress) | Plant and equipment | Computer Hardware | Transport Equipment | Land Leases | Transport Equipment Leases | Total |
|--|-------------------|------------------|---------------------|---------------------------------------|------------------------|----------------------|------------------------|----------------|----------------------------------|---------------------|
| Balance at 1 July 2020 | \$'000 787 223 | \$'000 77 419 | \$'000 7 176 683 | \$'000 657 165 | \$'000 5 559 | \$'000 525 | \$'000 12 | \$'000 481 | \$'000 7 357 | \$'000 8 712 424 |
| Gross carrying amount | - | - | - | - | - | - | - | - | - | - |
| Accumulated depreciation/ amortisation | - | - | - | - | - | - | - | - | - | - |
| Carrying amount as at 1 July 2020 | 787 223 | 77 419 | 7 176 683 | 657 165 | 5 559 | 525 | 12 | 481 | 7 357 | 8 712 424 |
| Additions | - | - | 934 | 592 847 | 25 | - | - | - | - | 593 806 |
| Disposals | (460) | - | - | - | - | - | - | - | - | (460) |
| Depreciation expense – asset owned | - | (4 080) | (55 022) | - | (777) | (102) | (1) | - | - | (59 982) |
| Amortisation expense – right-of-use asset | - | - | - | - | - | - | - | (16) | (6 972) | (6 988) |
| Additions/disposals from asset transfers | 22 255 | 12 247 | 177 978 | (486 945) | (139) | - | - | - | - | (274 604) |
| Revaluation increments/decrements including remeasurement | (25 915) | (851) | 60 944 | - | - | - | - | 8 | 5 974 | 40 160 |
| Impairment losses | - | (6 768) | (131) | - | (1 703) | - | (11) | - | - | (8 613) |
| Transfer to/from assets for sale | (16 063) | - | - | - | - | - | - | - | - | (16 063) |
| CARRYING AMOUNT AS AT 30 JUNE 2021 | 767 040 | 77 967 | 7 361 386 | 763 067 | 2 965 | 423 | - | 473 | 6 359 | 8 979 680 |

16. PROPERTY, PLANT AND EQUIPMENT (continued)

b) Property, plant and equipment held and used by the Department

A reconciliation of the carrying amount of property, plant and equipment held and used by the Department is set out below:

| | Land | Buildings | Infrastructure | Construction (work in progress) | Plant and equipment | Computer Hardware | Transport Equipment | Land Leases | Transport Equipment Leases | Restated Total |
|---|----------|-----------|----------------|---------------------------------|---------------------|-------------------|---------------------|-------------|----------------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2019 | 834 504 | 82 140 | 5 093 874 | 785 704 | 6 605 | 52 | 15 | 361 | - | 6 803 255 |
| Gross carrying amount | - | - | - | - | - | - | - | - | - | - |
| Accumulated depreciation/amortisation | - | - | - | - | - | - | - | - | - | - |
| Carrying amount as at 1 July 2019 | 834 504 | 82 140 | 5 093 874 | 785 704 | 6 605 | 52 | 15 | 361 | - | 6 803 255 |
| Reclassification ¹ | - | - | - | - | - | - | - | 136 | - | 136 |
| Recognition of right-of-use assets on initial adoption of AASB 16 | - | - | - | - | - | - | - | - | 14 320 | 14 320 |
| Prior Year Error Waterfront Land - Revalued Land | (34 838) | - | - | - | - | - | - | - | - | (34 838) |
| Adjusted carrying amount as at 1 July 2019 | 799 666 | 82 140 | 5 093 874 | 785 704 | 6 605 | 52 | 15 | 497 | 14 320 | 6 782 873 |
| Additions | 2 017 | - | 181 | 425 824 | - | 338 | - | - | - | 428 360 |
| Additions of right-of-use assets | - | - | - | - | - | - | - | - | - | - |
| Disposals | (13 237) | - | - | - | - | - | - | - | - | (13 237) |
| Depreciation expense - asset owned | - | (7 912) | (76 310) | - | (731) | (44) | (3) | - | - | (85 000) |
| Amortisation expense - right-of-use asset | - | - | - | - | - | - | - | (16) | (6 963) | (6 979) |
| Additions/disposals from administrative restructuring | - | - | - | - | - | (23) | - | - | - | (23) |
| Additions/disposals from asset transfers | (2 574) | 6 483 | 285 528 | (554 365) | (271) | 202 | - | - | - | (264 997) |
| Revaluation increments/decrements | (172) | (1 755) | 1 873 410 | - | - | - | - | - | - | 1 871 483 |
| Impairment losses | - | (1 537) | - | - | (44) | - | - | - | - | (1 581) |
| Transfer to/from assets for sale | 1 523 | - | - | - | - | - | - | - | - | 1 523 |
| CARRYING AMOUNT AS AT 30 JUNE 2020 | 787 223 | 77 419 | 7 176 683 | 657 165 | 5 559 | 525 | 12 | 481 | 7 357 | 8 712 422 |

(1) Existing finance lease assets under AASB 117 are reclassified and presented under the corresponding underlying asset from 1 July 2019.

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2021

16. PROPERTY, PLANT AND EQUIPMENT (continued)

c) Property, plant and equipment where entity is lessor under operating leases

A reconciliation of the carrying amount of property, plant and equipment where the Department is the lessor under operating leases is set out below:

| | Land | Buildings | Infrastructure | Construction (work in progress) | Plant and equipment | Computer Hardware | Transport Equipment | Land Leases | Transport Equipment Leases | Total |
|--|----------|-----------|----------------|---------------------------------------|------------------------|----------------------|------------------------|----------------|----------------------------------|----------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2020 | 48 977 | 11 824 | - | - | - | - | - | - | - | 60 801 |
| Gross carrying amount | - | - | - | - | - | - | - | - | - | - |
| Accumulated depreciation/amortisation | - | - | - | - | - | - | - | - | - | - |
| Carrying amount as at 1 July 2020 | 48 977 | 11 824 | - | - | - | - | - | - | - | 60 801 |
| Depreciation expense – asset owned | - | (1 064) | - | - | - | - | - | - | - | (1 064) |
| Additions/disposals from asset transfers | (2 054) | 449 | - | - | - | - | - | - | - | (1 605) |
| Revaluation increments/decrements including remeasurement | (10 026) | - | - | - | - | - | - | - | - | (10 026) |
| CARRYING AMOUNT AS AT 30 JUNE 2021 | 36 897 | 11 209 | - | - | - | - | - | - | - | 48 106 |

| | Land | Buildings | Infrastructure | Construction (work in progress) | Plant and equipment | Computer Hardware | Transport Equipment | Land Leases | Transport Equipment Leases | Restated Total |
|---|--------|-----------|----------------|---------------------------------------|------------------------|----------------------|------------------------|----------------|----------------------------------|-------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2019 | 48 977 | 5 592 | - | - | - | - | - | - | - | 54 569 |
| Gross carrying amount | - | - | - | - | - | - | - | - | - | - |
| Accumulated depreciation/amortisation | - | - | - | - | - | - | - | - | - | - |
| Carrying amount as at 1 July 2019 | 48 977 | 5 592 | - | - | - | - | - | - | - | 54 569 |
| Depreciation expense – asset owned | - | (820) | - | - | - | - | - | - | - | (820) |
| Additions/disposals from asset transfers | - | 56 | - | - | - | - | - | - | - | 56 |
| Revaluation increments/decrements | - | 6 996 | - | - | - | - | - | - | - | 6 996 |
| CARRYING AMOUNT AS AT 30 JUNE 2020 | 48 977 | 11 824 | - | - | - | - | - | - | - | 60 801 |



16. PROPERTY, PLANT AND EQUIPMENT (continued)

Acquisitions

Property, plant and equipment are initially recognised at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other accounting standards.

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 Department 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.

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; and
- 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.

Buildings were revalued at 30 June 2020 by Territory Property Consultants Pty Ltd on a current replacement cost basis.

Land infrastructure assets were revalued at 30 June 2021 by Territory Property Consultants Pty Ltd on a current replacement cost basis.

Transport infrastructure assets were revalued at 30 June 2021 based on current replacement cost.

Road and bridge infrastructure assets were revalued at 30 June 2020 based on current replacement cost.

The revaluation of infrastructure assets requires engineering and technical expertise due to the complex nature of the assets. The Department engages an external quantity surveyor and cost consultant, Construction Estimating Pty Ltd, trading as QS Services, as well as using in-house engineering expertise to revalue transport, road and bridge infrastructure assets. Recent infrastructure valuations have a high level of accuracy due to improvements in the process and records held, such as a greater accuracy of asset componentisation following a comprehensive survey of infrastructure assets and improvements in unit costs following external advice using regional unit cost rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

16. PROPERTY, PLANT AND EQUIPMENT (continued)

Construction Estimating Pty Ltd trading as QS Services, quantity surveyors and cost consultants provided unit rates representative of NT current industry standard market rates for infrastructure revaluations in 2020-21 and 2019-20.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

For right-of-use assets, the net present value of the remaining lease payments is often an appropriate proxy for the fair value of relevant right-of-use assets at the time of initial recognition. Subsequently, right-of-use assets are stated at cost less amortisation, which is deemed to equate to fair value.

For right-of-use assets under leases that have significantly below-market terms and conditions principally to enable the Department to further its objectives, the Department has elected to measure the asset at cost. These right-of-use assets are not subject to revaluation.

Heritage and cultural assets were revalued at 30 June 2021 by Territory Property Consultants Pty Ltd on a current replacement cost basis.

Refer to Note 26: Fair value for additional disclosures.

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 Department 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 Department 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 25 provides additional information in relation to the asset revaluation surplus.

Department property, plant and equipment assets were assessed for impairment as at 30 June 2021. No impairment adjustments were required as a result of this review.



16. PROPERTY, PLANT AND EQUIPMENT (continued)

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 and are determined as follows:

| | 2021 | 2020 |
|---|-----------------------------|-----------------------------|
| Buildings | 20 - 50 years | 20 - 50 years |
| Infrastructure assets | | |
| Bridges | 70 years | 70 years |
| Sealed pavement | 40 years | 40 years |
| Unsealed pavement | 8 years | 8 years |
| Road formation | Inifinite - not depreciated | Inifinite - 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 | 2 -15 years | 2 -15 years |
| Computer hardware | 3 - 6 years | 3 - 6 years |
| Leased land | n/a | n/a |
| Right-of-use assets | 1 - 40 years | 1 - 40 years |
| Heritage and Cultural Assets | 100 years | 100 years |
| Intangibles | 2 - 10 years | 2 - 10 years |

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

The estimated useful lives disclosed above includes the useful lives of right-of-use assets under AASB 16. For further detail, refer to Note 17.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

17. AGENCY AS A LESSEE

The Department leases assets in the course of achieving its outcomes.

The land leases relate to Department buildings and other assets located on aboriginal land. These leases are fixed and capitalised over a period of 40 years, which includes the extension option of 28 years due to the fixed nature of the asset on the land. There are provisions contained in the leases which allow for annual CPI changes.

The transport equipment leases relate to the provision of public, school and special needs bus and ferry services throughout the Northern Territory. These contracts have been assessed as being a lease and are capitalised by separating the lease component from the non-lease component provided by the suppliers. The Department uses a lease component identified in a contract or sourced

from other documentation provided by the supplier. If not available, the Department shall determine a lease rate on the basis of similar suppliers lease components. These leases expire between 1 and 4 years based on the current contracts. It is likely that this method of service delivery will continue, however no provisions have been provided for past the current contract expiry dates.

The Department has elected to recognise payments for short-term leases and low value leases as expenses on a straight-line basis, instead of recognising a right-of-use asset and lease liability. Short-term leases are leases with a lease term of 12 months or less with no purchase option. Low value assets are assets with a fair value of \$10 000 or less when new and not subject to a sublease arrangement.

Right-of-use asset

The following table presents right-of-use assets included in the carrying amounts of property, plant and equipment at Note 16.

| | Land | Transport equipment | Total |
|---|------------|---------------------|--------------|
| | \$'000 | \$'000 | \$'000 |
| Balance as at 1 July 2020 | 481 | 7 357 | 7 838 |
| Amortisation expense | (16) | (6 972) | (6 988) |
| Revaluation increments/decrements including remeasurement | 8 | 5 974 | 5 982 |
| CARRYING AMOUNT AS AT 30 JUNE 2021 | 473 | 6 359 | 6 832 |

| | Land | Transport equipment | Total |
|---|------------|---------------------|--------------|
| | \$'000 | \$'000 | \$'000 |
| Balance as at 1 July 2019 | 497 | 14 320 | 14 817 |
| Amortisation expense | (16) | (6 963) | (6 979) |
| CARRYING AMOUNT AS AT 30 JUNE 2020 | 481 | 7 357 | 7 838 |



17. AGENCY AS A LESSEE (continued)

The following amounts were recognised in the statement of comprehensive operating statement for the year in respect of leases where the Department is the lessee:

| | 2021 | 2020 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| Amortisation expense of right-of-use assets | (6 988) | (6 979) |
| Interest expense on lease liabilities | (116) | (165) |
| Inter-governmental leases - NT Fleet | (1 667) | (1 701) |
| TOTAL AMOUNT RECOGNISED IN THE COMPREHENSIVE OPERATING STATEMENT | (8 771) | (8 845) |

Recognition and measurement

The Department assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Department recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, except for short-term leases and leases of low-value assets.

The Department recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

| | 2021 | 2020 |
|---------------------|----------------|----------------|
| Land | 30 to 40 years | 30 to 40 years |
| Transport equipment | 1 to 4 years | 1 to 4 years |

If ownership of the leased asset transfers to the Department at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are subsequently measured at fair value which approximates costs except for those arising from leases that have significantly below-market terms and conditions principally to enable the Department to further its objectives and are also subject to impairment.

The right-of-use assets are subject to remeasurement principles consistent with the lease liability including indexation and market rent review that approximates fair value and only revalued where a trigger or event may indicate their carrying amount does not equal fair value.

Inter-governmental leases

The Department applies the inter-governmental leases recognition exemption as per the Treasurer's Direction – Leases and recognise these as an expense on a straight-line basis over the lease term. These largely relate to the lease of motor vehicles from NT Fleet.

Leases of commercial properties for office accommodation are centralised with the Department of Corporate and Digital Development (DCDD). Consequently all lease liabilities and right-of-use assets relating to these arrangements are recognised by DCDD and not disclosed within these financial statements.

Right-of-use assets under leases at significantly below-market terms and conditions that are entered into principally to enable the Department to further its objectives, are measured at cost.

These right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, subject to impairment. They are not subject to revaluation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

18a. INTANGIBLES

| | 2021 | 2020 |
|-------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Carrying amount | | |
| Other intangibles | | |
| At valuation | 4 639 | 4 451 |
| Less: accumulated amortisation | (3 467) | (3 089) |
| Written down value - 30 June | 1 172 | 1 362 |
| TOTAL INTANGIBLES | 1 172 | 1 362 |

Intangible valuations

Other intangibles assets consists of computer software stated at amortised cost. Refer to Note 26: Fair value measurement for additional disclosures.

Impairment of intangibles

Department intangible assets were assessed for impairment as at 30 June 2021.

No impairment adjustments were required as a result of this review.

| | 2021 | 2020 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Reconciliation of movements | | |
| Other intangibles | | |
| Carrying amount at 1 July | 1 362 | 1 210 |
| Additions | 245 | 578 |
| Amortisation | (435) | (394) |
| Additions/(disposals) from administrative restructuring | - | (65) |
| Additions/(disposals) from asset transfers | - | 33 |
| CARRYING AMOUNT AS AT 30 JUNE | 1 172 | 1 362 |



18b. HERITAGE AND CULTURAL ASSETS

| | 2021 | 2020 |
|--|--------------|------------|
| | \$'000 | \$'000 |
| Carrying amount | | |
| At valuation | 1 573 | 362 |
| Less: Accumulated amortisation | (84) | (60) |
| Written down value - 30 June | 1 489 | 302 |
| Reconciliation of movements | | |
| Carrying amount at 1 July | 302 | 309 |
| Disposals | - | (7) |
| Amortisation | (19) | - |
| Additions/(disposals) from asset transfers | 851 | - |
| Revaluation increments/(decrements) | 356 | - |
| CARRYING AMOUNT AS AT 30 JUNE | 1 489 | 302 |

Heritage and cultural assets valuation

The latest revaluations as at 30 June 2021 were independently conducted by the valuer, Territory Property Consultants Pty Ltd.

The fair value of these assets were 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.

Refer to Note 26: Fair value measurement for additional disclosures.

Impairment of heritage and cultural assets

Department heritage and cultural assets were assessed for impairment as at 30 June 2021. No impairment adjustments were required as a result of this review.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

19. DEPOSITS HELD

| | 2021 | 2020 |
|-------------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Recoverable works | 41 239 | 50 824 |
| Accountable Officer's trust account | 938 | 3 937 |
| Land sales deposits | 965 | 1 316 |
| Other deposits held | 2 260 | 2 671 |
| TOTAL DEPOSITS HELD | 45 402 | 58 748 |

The Department contract manages a number of capital works project on behalf of other non-government entities; these projects are deemed Recoverable Works where the Department recovers costs in full.

Accountable Officer's trust account is further disclosed in Note 31.

20. PAYABLES

| | 2021 | 2020 |
|--------------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Accounts payable | 6 492 | 252 |
| Accrued expenses | 9 338 | 11 160 |
| Accrued expenses - works in progress | 12 720 | 2 243 |
| TOTAL PAYABLES | 28 550 | 13 655 |

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 Department. Accounts payable are normally settled within 20 days from receipt of valid invoices under \$1 million or 30 days for invoices over \$1 million.



21. BORROWINGS AND ADVANCES

| | 2021 | 2020 |
|--------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Current | | |
| Lease liabilities | 4 748 | 4 482 |
| Non-Current | | |
| Lease liabilities | 2 180 | 3 440 |
| TOTAL BORROWINGS AND ADVANCES | 6 928 | 7 922 |

Borrowings and advances are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, these are measured at amortised cost using the effective interest method. Gains and losses are recognised in the net result when the liabilities are de-recognised as well as through the amortisation process.

At the commencement date of the lease where the Department is the lessee, the Department recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments include:

- fixed payments (including in substance fixed payments) less any lease incentives receivable
- variable lease payments that depend on an index or a rate
- amounts expected to be paid under residual value guarantees
- exercise price of a purchase options reasonably certain to be exercised by the entity
- payments of penalties for terminating the lease, if the lease term reflects the entity exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Department's leases, the Northern Territory Treasury Corporation's institutional bond rate is used as the incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (such as changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

21. BORROWINGS AND ADVANCES (continued)

The following table presents liabilities under leases:

| | 2021 | 2020 |
|---------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Balance at 1 July | 7 922 | 14 841 |
| Additions/Remeasurements | 5 981 | - |
| Interest expenses | 116 | 165 |
| Payments | (7 091) | (7 084) |
| Balance at 30 June | 6 928 | 7 922 |

The Department had total cash outflows for leases of \$7.091 million in 2021 (\$7.084 million in 2020).

Future minimum lease payments under non-cancellable leases not recorded as liability are as follows:

| | 2021 | | 2020 | |
|---|--------------|----------|--------------|----------|
| | Internal | External | Internal | External |
| Within one year | 1 110 | - | 1 204 | - |
| Later than one year and not later than five years | 1 500 | - | 1 331 | - |
| Later than five years | - | - | 6 | - |
| TOTAL | 2 610 | - | 2 541 | - |



22. PROVISIONS

| | 2021 | 2020 |
|---------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Current | | |
| <i>Employee benefits</i> | | |
| Recreation Leave | 12 354 | 11 164 |
| Leave Loading | 1 494 | 1 421 |
| Other | 45 | 81 |
| <i>Other current provisions</i> | 203 | 215 |
| Fringe benefits tax | 852 | 759 |
| Payroll tax | 1 288 | 949 |
| Superannuation | | |
| TOTAL PROVISIONS | 16 236 | 14 589 |

The Department employed 799 full-time equivalent (FTE) employees as at 30 June 2021 (759 FTE employees as at 30 June 2020). There were further Machinery of Government changes in 2020-21 as outlined in Note 1 which increased the Department's FTE.

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. Non-current employee benefit liabilities that fall due after twelve months of the reporting date are measured at present value, calculated using the Government long-term bond rate.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave 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 Department'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 Department 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 therefore not recognised in the Department's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

23. OTHER LIABILITIES

| | 2021 | 2020 |
|--------------------------------|----------------|----------------|
| | \$'000 | \$'000 |
| Current | | |
| Unearned contract revenue | 20 | - |
| Unearned capital grants | 180 836 | 97 406 |
| Other Liabilities | 46 | 10 |
| Non-current | | |
| Unearned capital grants | 37 776 | 16 940 |
| TOTAL OTHER LIABILITIES | 218 678 | 114 356 |

Unearned contract revenue

Unearned contract revenue largely relates to consideration received in advance from the Commonwealth's Black Spot funding of \$1.49 million.

The unearned contract revenue balance as at 30 June 2021 is \$20 071 for the Regional Aviation Access Reseal Program.

Revenue recognised in 2020-21 from performance obligations satisfied or partially satisfied in the previous period is \$500 174. This is mainly due to a reassessment of the estimate of progress towards satisfaction for the delivery of the Regional Aviation Access Reseal Program.

The Department anticipates to recognise as revenue, any liabilities for unsatisfied obligations as at the end of the reporting period in accordance with the time bands below:

| | 2021 | 2020 |
|---|-----------|----------|
| | \$'000 | \$'000 |
| Not later than one year | 20 | - |
| Later than one year and not later than five years | - | - |
| Later than five years | - | - |
| TOTAL | 20 | - |



23. OTHER LIABILITIES (continued)

Unearned capital grants

Below is a reconciliation of financial assets and corresponding liabilities arising from transfers to acquire or construct non-financial assets to be controlled by the Department.

| | 2021 | 2020 |
|--|----------------|----------------|
| | \$'000 | \$'000 |
| Unearned capital grants at the beginning of the year | 114 346 | 101 176 |
| Add: receipt of cash during the financial year | 330 371 | 165 960 |
| Less: income recognised during the financial year | 226 105 | 152 790 |
| TOTAL UNEARNED CAPITAL GRANTS | 218 612 | 114 346 |

Of the amount included in the unearned capital grants revenue balance as at 30 June 2020, \$72 231 217 has been recognised as revenue in 2020-21.

For assets acquitted, performance obligations are typically satisfied at the point in time the asset is acquired.

For constructed assets, performance obligations are typically satisfied over time as the asset is constructed and revenue is recognised accordingly. An input method is used to measure the progress towards the satisfaction of performance obligations and hence the amount of revenue recognised. The progress towards satisfaction of the performance obligations is measured using the percentage of completion method, which is the cost incurred to date as a proportion of the total project costs.

The Department anticipates to recognise as income, any liability for unsatisfied obligations as at the end of the reporting period in accordance with the time bands below:

| | 2021 | 2020 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| Not later than one year | 180 836 | 97 164 |
| Later than one year and not later than five years | 37 776 | 16 940 |
| Later than five years | - | - |
| TOTAL | 218 612 | 114 104 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

24. COMMITMENTS

Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured. Disclosures in relation to capital and other commitments are detailed below:

| | 2021 | 2020 |
|--|----------------|----------------|
| | External | External |
| | \$'000 | \$'000 |
| (i) Capital Expenditure Commitments | | |
| Capital expenditure commitments are 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 | 218 039 | 87 106 |
| Later than one year and not later than five years | 14 108 | 16 831 |
| Later than five years | - | - |
| Total Capital Expenditure Commitments | 232 147 | 103 937 |

(ii) Other Expenditure Commitments

Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:

| | | |
|---|---------------|---------------|
| Within one year | 22 018 | 19 960 |
| Later than one year and not later than five years | 6 843 | 4 185 |
| Later than five years | - | - |
| Total Other Expenditure Commitments | 28 861 | 24 146 |

25. 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 | | Cultural | | Other | | Total | |
|---|----------|---------------|-----------|---------------|----------------|---------------|----------|---------------|--------|---------------|-----------|---------------|
| | 2021 | Restated 2020 | 2021 | Restated 2020 | 2021 | Restated 2020 | 2021 | Restated 2020 | 2021 | Restated 2020 | 2021 | Restated 2020 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| (ii) Movements in the asset revaluation surplus | | | | | | | | | | | | |
| Balance as at 1 July | 707 847 | 726 469 | 28 664 | 23 423 | 5 057 249 | 3 183 839 | - | - | 16 249 | 16 249 | 5 810 009 | 3 949 981 |
| Increment/(decrement) | (27 171) | (4 822) | - | 5 241 | 60 944 | 1 873 410 | 356 | - | - | - | 34 129 | 1 873 828 |
| Transfers to accumulated funds | (2 049) | (13 800) | - | - | - | - | - | - | - | - | (2 049) | (13 800) |
| Balance as at 30 June | 678 627 | 707 847 | 28 664 | 28 664 | 5 118 193 | 5 057 250 | 356 | - | 16 249 | 16 249 | 5 842 089 | 5 810 009 |



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

26. 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 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 Department 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 Department 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

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
- 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.

26. FAIR VALUE MEASUREMENT (continued)

a) Fair value hierarchy

The Department does not recognise any financial assets or liabilities at fair value as these are recognised at amortised cost. The carrying amounts of these financial assets and liabilities approximate their fair value.

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.

| Asset Classes | Level 1 | | Level 2 | | Level 3 | | Total Fair Value | |
|--|---------|---------|----------------|----------------|------------------|------------------|------------------|------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | Restated 2019-20 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Land ¹ (Note 16) | - | - | 803 937 | 836 200 | - | - | 803 937 | 836 200 |
| Buildings ¹ (Note 16) | - | - | - | - | 89 176 | 89 243 | 89 176 | 89 243 |
| Infrastructure (Note 16) | - | - | - | - | 7 361 386 | 7 176 683 | 7 361 386 | 7 176 683 |
| Plant and equipment ² (Note 16) | - | - | - | - | 3 388 | 6 096 | 3 388 | 6 096 |
| Intangibles (Note 18a) | - | - | - | - | 1 172 | 1 362 | 1 172 | 1 362 |
| Heritage and cultural assets (Note 18b) | - | - | - | - | 1 489 | 302 | 1 489 | 302 |
| Assets held for sale (Note 13) | - | - | 18 277 | 2 214 | - | - | 18 277 | 2 214 |
| TOTAL ASSETS | - | - | 822 214 | 838 414 | 7 456 611 | 7 273 686 | 8 278 825 | 8 112 100 |

(1) 1 From 1 July 2019, property, plant and equipment includes right-of-use assets under AASB 16 Leases.

(2) Includes computer hardware and transport equipment.

There were no transfers between Level 1 and Levels 2 or 3 during 2020-21.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

26. FAIR VALUE MEASUREMENT (continued)

b) Valuation techniques and inputs

Valuation techniques used to measure fair value in 2020-21 are:

| | Level 2 | Level 3 |
|------------------------------|------------|------------|
| | Techniques | Techniques |
| Asset Classes | | |
| Land | Market | |
| Buildings | | Cost |
| Infrastructure | | Cost |
| Plant and Equipment | | Cost |
| Intangibles | | Cost |
| Heritage and Cultural Assets | | Cost |
| Asset Held for Sale | Market | |

There were no changes in valuation techniques from 2019-20 to 2020-21.

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 environmental conditions, projected usage, and records of the current condition of the facilities.

Buildings were revalued at 30 June 2020 by Territory Property Consultants Pty Ltd on a current replacement cost basis.

Land infrastructure assets were revalued at 30 June 2021 by Territory Property Consultants Pty Ltd on a current replacement cost basis.

Transport infrastructure assets were revalued at 30 June 2021 based on current replacement cost. Road and bridge infrastructure assets were revalued at 30 June 2020 based on current replacement cost.

The revaluation of road, bridge and transport infrastructure assets requires engineering and technical expertise due to the complex nature of the assets. The Department engaged an external quantity surveyor and cost consultant, Construction Estimating Pty Ltd trading as QS Services as well as using in-house engineering expertise to revalue roads, bridges and transport infrastructure assets in both the 2019-20 and 2020-21 years.

Construction Estimating Pty Ltd trading as QS Services, quantity surveyors and cost consultants provided rates representative of NT current industry standard market rates for their respective valuations they carried out for the Department in 2021 and 2020.

Plant and equipment, computer hardware and transport equipment assets are based on depreciated cost and assessed for impairment on an annual basis.

Intangible assets consists of computer software stated at amortised cost.

Heritage and cultural assets were revalued at 30 June 2021 by Territory Property Consultants Pty Ltd on a current replacement cost basis.



26. FAIR VALUE MEASUREMENT (continued)

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 | Intangible assets | Heritage and Cultural | Total |
|---|---------------|------------------|---------------------|-------------------|-----------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2020-21 | | | | | | |
| Fair value as at 1 July 2020 | 89 243 | 7 176 683 | 6 096 | 1 362 | 302 | 7 273 686 |
| Additions | - | 934 | 25 | 245 | - | 1 204 |
| Depreciation/Amortisation | (5 144) | (55 022) | (880) | (435) | (19) | (61 500) |
| Additions/disposals from asset transfers | 12 696 | 177 978 | (139) | - | 851 | 191 386 |
| Gains/losses recognised in net surplus/deficit | (6 768) | (131) | (1 714) | - | - | (8 613) |
| Gains/losses recognised in other comprehensive income | (851) | 60 944 | - | - | 356 | 60 449 |
| FAIR VALUE AS AT 30 JUNE 2021 | 89 176 | 7 361 386 | 3 388 | 1 172 | 1 489 | 7 456 611 |
| 2019-20 | | | | | | |
| Fair value as at 1 July 2019 | 87 732 | 5 093 874 | 6 672 | 1 210 | 309 | 5 189 797 |
| Additions | 6 539 | 285 709 | 1 508 | 616 | - | 294 372 |
| Disposals | - | - | (1 263) | (69) | - | (1 332) |
| Depreciation/Amortisation | (8 732) | (76 310) | (778) | (394) | (7) | (86 221) |
| Gains/losses recognised in net surplus/deficit | (1 537) | - | (44) | - | - | (1 581) |
| Gains/losses recognised in other comprehensive income | 5 241 | 1 873 410 | - | - | - | 1 878 651 |
| FAIR VALUE AS AT 30 JUNE 2020 | 89 243 | 7 176 683 | 6 096 | 1 362 | 302 | 7 273 686 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

26. FAIR VALUE MEASUREMENT (continued)

(ii) Reconciliation of recurring level 3 fair value measurement of financial assets

| | 2021 | Restated 2020 |
|---|------------------|------------------|
| | \$'000 | \$'000 |
| Balance as at 1 July | 7 273 686 | 5 189 797 |
| Gains/losses recognised in net deficit | (8 613) | (1 581) |
| Gains/losses recognised in other comprehensive income | 60 449 | 1 878 651 |
| Purchases | 1 204 | 294 372 |
| Additions/disposals from asset transfers | 191 386 | - |
| Sales | - | (1 332) |
| Depreciation | (61 500) | (86 221) |
| BALANCE AS AT 30 JUNE | 7 456 611 | 7 273 686 |

(iii) Sensitivity analysis

Given the large number of Department 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 results in a higher fair value and greater consumption of economic benefit lowers fair value.

27. 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 Department becomes a party to the contractual provisions of the financial instrument. The Department's financial instruments include cash and deposits, receivables, advances paid, 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 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 Territory Government's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation 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.



27. FINANCIAL INSTRUMENTS (continued)

a) Categories of financial instruments

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

2020-21 Categories 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 | \$'000 | \$'000 |
| Cash and deposits | - | - | 302 069 | - | 302 069 |
| Receivables ¹ | - | - | 5 606 | - | 5 606 |
| Advances paid | - | - | 1 036 | - | 1 036 |
| Other - finance lease assets | - | - | 22 794 | - | 22 794 |
| TOTAL FINANCIAL ASSETS | - | - | 331 505 | - | 331 505 |
| Deposits held ¹ | - | - | 3 225 | - | 3 225 |
| Payables ¹ | - | - | 6 492 | - | 6 492 |
| Lease liabilities | - | - | 6 928 | - | 6 928 |
| TOTAL FINANCIAL LIABILITIES | - | - | 16 645 | - | 16 645 |

2019-20 Categories of financial instruments

| | | | | | |
|------------------------------------|----------|----------|----------------|----------|----------------|
| Cash and deposits | - | - | 141 171 | - | 141 171 |
| Receivables ¹ | - | - | 7 679 | - | 7 679 |
| Advances paid | - | - | 1 008 | - | 1 008 |
| Other -finance lease assets | - | - | 21 302 | - | 21 302 |
| TOTAL FINANCIAL ASSETS | - | - | 171 160 | - | 171 160 |
| Deposits held ¹ | - | - | 3 987 | - | 3 987 |
| Payables ¹ | - | - | 252 | - | 252 |
| Lease liabilities | - | - | 7 922 | - | 7 922 |
| TOTAL FINANCIAL LIABILITIES | - | - | 12 161 | - | 12 161 |

(1) Total amounts disclosed here exclude statutory amounts and accrued contract revenue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

27. FINANCIAL INSTRUMENTS (continued)

a) Categories of financial instruments (continued)

The Department's financial instruments are classified in accordance with AASB 9.

Financial assets are classified under the following categories:

- amortised cost
- fair value through other comprehensive income (FVOCI)
- fair value through profit or loss (FVTPL).

Financial liabilities are classified under the following categories:

- amortised cost
- fair value through profit or loss (FVTPL).

These classifications are based on the Department's business model for managing the financial assets and the contractual terms of the cash flows. Where assets are measured at fair value, gains and losses will either be recorded in profit or loss, or other comprehensive income.

Financial instruments are reclassified when and only when the Department's business model for managing those assets changes.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets at amortised cost

Financial assets are classified at amortised cost when they are held by the Department to collect the contractual cash flows and the contractual cash flows are solely payments of principal and interest.

These assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment. The Department's financial assets categorised at amortised cost include cash, receivables, advances paid and lease receivables.

Financial assets at fair value through other comprehensive income

Financial assets are classified at fair value through other comprehensive income when they are held by the Department to both collect contractual cash flows and sell the financial assets, and the contractual cash flows are solely payments of principal and interest.

These assets are initially and subsequently recognised at fair value. Changes in the fair value are recognised in other comprehensive income, except for the recognition of impairment gains or losses and interest income which are recognised in the operating result in the comprehensive operating statement. When financial assets are derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the comprehensive operating statement.

For equity instruments elected to be categorised at FVOCI, changes in fair value recognised in other comprehensive income are not reclassified to profit or loss on derecognition of the asset. Dividends from such instruments continue to be recognised in the comprehensive operating statement as other income when the Department's right to receive payments is established.

The Department does not have any financial assets under this category.

Financial liabilities at fair value through profit or loss

Financial assets are classified at FVTPL where they do not meet the criteria for amortised cost or FVOCI. These assets are initially and subsequently recognised at fair value with gains or losses recognised in the net result for the year.

The Department's financial assets categorised at FVTPL include investments in managed unit trusts and certain debt instruments. Unrealised gains in relation to these investments are recognised in other economic flows in comprehensive operating statement, however realised gains are recognised in the net result.

The Department does not have any financial liabilities under this category.



27. FINANCIAL INSTRUMENTS (continued)

a) Categories of financial instruments (continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost are measured at amortised cost using the effective interest rate method, net of directly attributable transaction costs. These are subsequently measured at amortised cost using the effective interest rate method. The department's financial liabilities categorised at amortised cost include all accounts payable, deposits held, advances received, lease liabilities and borrowings.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified at FVTPL when the liabilities are either held for trading or designated as FVTPL. Financial liabilities classified at FVTPL are initially and subsequently measured at fair value with gains or losses recognised in the net result for the year.

For financial liabilities designated at FVTPL, changes in the fair value of the liability attributable to changes in the Department's credit risk are recognised in other comprehensive income, while remaining changes in the fair value are recognised in the net result.

The Department does not have any financial liabilities under this category.

Derivatives

The Department may enter into a variety of derivative financial instruments to manage its exposure to interest rate risk. The Department does not speculate on trading of derivatives.

Derivatives are initially recognised at fair value on the date a derivative contract is entered in to and are subsequently remeasured at their fair value at each reporting date. The resulting gain or loss is recognised in the comprehensive operating statement immediately unless the derivative is designated and qualifies as an effective hedging instrument, in which event, the timing of the recognition in the comprehensive operating statement depends on the nature of the hedge relationship. Application of hedge accounting will only be available where specific designation and effectiveness criteria are satisfied.

Netting of swap transactions

The Department, from time to time, may facilitate certain structured finance arrangements, where a legally recognised right to set-off financial assets and liabilities exists, and the Territory intends to settle on a net basis. Where these arrangements occur, the revenues and expenses are offset and the net amount is recognised in the comprehensive operating statement.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation.

The Department has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to government, the Department 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 Department'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 12 and advances paid in Note 14.

c) Liquidity risk

Liquidity risk is the risk that the Department will not be able to meet its financial obligations as they fall due. The Department'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 Department's bank account to meet various current employee and supplier liabilities. The Department'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 Department's ability to meet its financial obligations.

The following tables detail the Department'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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

27. FINANCIAL INSTRUMENTS (continued)

c) Liquidity risk (continued)

2021 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 |
| Liabilities | | | | | |
| Deposit held | 3 225 | 3 225 | - | - | 3 225 |
| Payables | 6 492 | 6 492 | - | - | 6 492 |
| Lease liabilities | 6 928 | 4 815 | 1 819 | 755 | 7 389 |
| TOTAL FINANCIAL LIABILITIES | 16 645 | 14 532 | 1 819 | 755 | 17 106 |

2020 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 |
| Liabilities | | | | | |
| Deposit held | 3 987 | 3 987 | - | - | 3 987 |
| Payables | 252 | 252 | - | - | 252 |
| Lease liabilities | 7 922 | 4 612 | 3 123 | 795 | 8 530 |
| TOTAL FINANCIAL LIABILITIES | 12 161 | 8 851 | 3 123 | 795 | 12 769 |



27. FINANCIAL INSTRUMENTS (continued)

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.

(i) Interest rate risk

The Department's exposure to interest rate risk by asset and liability classes is disclosed below.

2021 Interest rate risk for financial assets and liabilities

| | Interest bearing | | Non-interest bearing \$'000 | Total \$'000 | Weighted average % |
|---|--------------------|-----------------|--------------------------------|-----------------|-----------------------|
| | Variable \$'000 | Fixed \$'000 | | | |
| Assets | | | | | |
| Cash and deposits | - | - | 302 069 | 302 069 | |
| Receivables | - | - | 5 606 | 5 606 | |
| Advances | 1 036 | - | - | 1 036 | 3.30% |
| Other assets - finance lease | - | 22 794 | - | 22 794 | 7.00% |
| TOTAL FINANCIAL ASSETS | 1 036 | 22 794 | 307 675 | 331 505 | |
| Liabilities | | | | | |
| Deposits held | - | - | 3 225 | 3 225 | |
| Payables | - | - | 6 492 | 6 492 | |
| Lease liabilities - land | - | 513 | - | 513 | 4.56% |
| Lease liabilities - transport equipment | - | 6 415 | - | 6 415 | 1.32% |
| TOTAL FINANCIAL LIABILITIES | - | 6 928 | 9 717 | 16 645 | |

2020 Interest rate risk for financial assets and liabilities

| | Interest bearing | | Non-interest bearing \$'000 | Total \$'000 | Weighted average % |
|---|--------------------|-----------------|--------------------------------|-----------------|-----------------------|
| | Variable \$'000 | Fixed \$'000 | | | |
| Assets | | | | | |
| Cash and deposits | - | - | 141 171 | 141 171 | |
| Receivables | - | - | 7 679 | 7 679 | |
| Advances | 1 008 | - | - | 1 008 | 3.47% |
| Other assets - finance lease | - | 21 302 | - | 21 302 | 7.00% |
| TOTAL FINANCIAL ASSETS | 1 008 | 21 302 | 148 850 | 171 160 | |
| Liabilities | | | | | |
| Deposits held | - | - | 3 987 | 3 987 | |
| Payables | - | - | 252 | 252 | |
| Lease liabilities - land | - | 514 | - | 514 | 4.56% |
| Lease liabilities - transport equipment | - | 7 408 | - | 7 408 | 1.34% |
| TOTAL FINANCIAL LIABILITIES | - | 7 922 | 4 239 | 12 161 | |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

27. FINANCIAL INSTRUMENTS (continued)

d) Market risk (continued)

Sensitivity analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on the agency's profit or loss and equity.

| | Profit or Loss and Equity | |
|-------------------------------------|------------------------------|------------------------------|
| | 100 basis points increase | 100 basis points decrease |
| | \$'000 | \$'000 |
| 30 June 2021 | | |
| Financial assets – receivable loans | 10 | (10) |
| NET SENSITIVITY | 10 | (10) |
| 30 June 2020 | | |
| Financial assets – receivable loans | 10 | (10) |
| NET SENSITIVITY | 10 | (10) |

(ii) Price risk

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

(iii) Currency risk

The Department is not exposed to currency risk as the Department does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.



28. RELATED PARTIES

i) Related Parties

The Department is a government administrative entity and is wholly owned and controlled by the Northern 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,
- close family members of the portfolio minister or KMP including spouses, children and dependants,
- all public sector entities that are controlled and consolidated into the whole of Government financial statements,
- 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 are those persons having authority and responsibility for planning, directing and controlling the activities of the Department. These include the Minister for Infrastructure, Planning and Logistics, the Chief Executive Officer, the members of the executive team. The 2020-21 financial year includes the addition of the General Manager Housing Program Office and the NT Infrastructure Commissioner.

iii) Remuneration of Key Management Personnel

The details below exclude the salaries and other benefits of the Minister for 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 is set out below:

| | 2020-21 | 2019-20 |
|------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Short-term employee benefits | 1 561 | 1 223 |
| Post-employment benefits | 115 | 113 |
| Termination benefits | - | - |
| TOTAL | 1 676 | 1 336 |

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 2021

28. RELATED PARTIES (continued)

2021

| 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 NTG Government Departments | 30 990 | 45 335 | 5 836 | 3 103 |
| Associates | - | - | - | - |
| Subsidiaries | - | - | - | - |
| TOTAL | 30 990 | 45 335 | 5 836 | 3 103 |

2020

| 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 NTG Government Departments | 21 683 | 49 108 ¹ | 913 | 197 |
| Associates | - | - | - | - |
| Subsidiaries | - | - | - | - |
| TOTAL | 21 683 | 49 108 | 913 | 197 |

¹2019-20 payments to related parties adjusted to include notional expenditure to Department of Corporate and Digital Development

Most of the Department's transaction with other government entities are not individually significant. Transactions which were significant with other government entities are listed as follows:

- \$19.128 million in notional revenue and expenditure related services received free of charge from the Department of Corporate and Digital Development,
- \$9.068 million in grant revenue recovered through the Department of Health for COVID-19 health related expenditure that is on passed from the Australian Government,
- \$1.374 million grant payment to support the operations of the Darwin Wharf Precinct through the Darwin Waterfront Corporation.

Other related party transactions are as follows:

Given the breadth and depth of Northern 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.



29. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Contingent liabilities

The Department has entered into contracts and agreements which contain indemnities. The contingent liabilities arising from these indemnities are unquantifiable, and the likelihood of occurrence is considered low. However for all the events that would give rise to potential liabilities, the Department has comprehensive risk management strategies in place. Legal proceedings or disputes in which the Department 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 of dispute.

The Department had no reportable contingent liabilities as at 30 June 2021 or 30 June 2020.

b) Contingent assets

The Department had no contingent assets as at 30 June 2021 or 30 June 2020.

30. EVENTS SUBSEQUENT TO BALANCE DATE

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

31. 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 2020 | | | 30 June 2021 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Retention/Security deposits | 281 | 36 | (4) | 313 |
| Bank guarantees | 3 656 | - | (3 031) | 625 |
| TOTAL | 3 937 | 36 | (3 035) | 938 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

32. 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)).

| | 2021 | 2020 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| TERRITORY INCOME AND EXPENSES | | |
| Income | | |
| Taxation revenue | 59 892 | 57 672 |
| Grants and subsidies revenue | | |
| Capital | 12 414 | 8 744 |
| Fees from regulatory services | 5 409 | 4 835 |
| Royalties and rents | 2 257 | 2 881 |
| Other income | 17 345 | 2 397 |
| TOTAL INCOME | 97 317 | 76 529 |
| Expenses | | |
| Central Holding Authority income transferred | 97 409 | 76 317 |
| Write-offs and losses | 7 | - |
| Doubtful debts | (99) | 212 |
| TOTAL EXPENSES | 97 317 | 76 529 |
| TERRITORY INCOME LESS EXPENSES | - | - |
| TERRITORY ASSETS AND LIABILITIES | | |
| Assets | | |
| Accounts Receivables | 809 | 9 |
| Central Holding Authority Receivables | 13 191 | 3 247 |
| TOTAL ASSETS | 14 000 | 3 256 |
| Liabilities | | |
| Central Holding Authority income payable | 1 690 | 197 |
| Unearned Central Holding Authority income | 12 310 | 3 058 |
| TOTAL LIABILITIES | 14 000 | 3 256 |
| NET ASSETS | - | - |



33. BUDGETARY INFORMATION

| COMPREHENSIVE OPERATING STATEMENT | 2020-21 | 2020-21 | | Note |
|---|-----------------|------------------|-----------------|------|
| | Actual | Original | Variance | |
| | \$'000 | Budget \$'000 | \$'000 | |
| INCOME | | | | |
| Grants and subsidies revenue | | | | |
| Current | 11 244 | 852 | 10 392 | 1 |
| Capital | 2 752 | - | 2 752 | 2 |
| Appropriation | | | | |
| Output | 316 059 | 332 129 | (16 070) | 3 |
| Commonwealth | 26 287 | 26 179 | 108 | |
| Sales of goods and services | 17 939 | 17 874 | 65 | |
| Goods and services received free of charge | 19 128 | 18 458 | 670 | 4 |
| Gain on disposal of assets | 1 005 | - | 1 005 | 5 |
| Other income | 12 038 | 3 265 | 8 773 | 6 |
| TOTAL INCOME | 406 452 | 398 757 | 7 695 | |
| EXPENSES | | | | |
| Employee expenses | 104 435 | 100 041 | 4 394 | 7 |
| Administrative expenses | | | | |
| Purchases of goods and services | 90 216 | 88 061 | 2 155 | 8 |
| Repairs and maintenance | 155 054 | 181 659 | (26 605) | 9 |
| Depreciation and amortisation | 68 488 | 92 494 | (24 006) | 10 |
| Other administrative expenses | 29 366 | 18 458 | 10 908 | 11 |
| Grants and subsidies expenses | | | | |
| Current | 8 980 | 9 977 | (997) | 12 |
| Capital | 13 037 | 9 707 | 3 330 | 13 |
| Interest expenses | 116 | 84 | 32 | 14 |
| TOTAL EXPENSES | 469 692 | 500 481 | (30 789) | |
| NET DEFICIT | (63 240) | (101 724) | 38 484 | |
| OTHER COMPREHENSIVE INCOME | | | | |
| Items that will not be reclassified to net deficit | | | | |
| Changes in asset revaluation surplus | 32 080 | - | 32 080 | 15 |
| Transfers from reserves | 2 049 | - | 2 049 | 16 |
| TOTAL OTHER COMPREHENSIVE INCOME | 34 129 | - | 34 129 | |
| COMPREHENSIVE RESULT | (29 111) | (101 724) | 72 613 | |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

33. BUDGETARY INFORMATION (continued)

Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500 000 or where multiple significant variances have occurred. The original budget used for comparison is in line with accounting standards and is as per the budget published in November 2020. The original budget does not include any government decisions, additional appropriation and Machinery of Government changes made since. Comparison against the revised budget can be found in the Financial Statement Overview of the Annual Report. The Department came in under budget against its revised budget in 2020-21 with a number of underspends due to timing that will be requested for carryover into 2021-22.

1. Current grants revenue variation is mainly due to additional Commonwealth funding received for the Centre for National Resilience and is in line with the revised budget.
2. Capital grants revenue variation is in line with operational capital expenditure including capital works expenditure recognised in accordance with AASB 1058 and reflecting new reporting arrangements as per agreement with Treasury, recognising the revenue through the Department and not the Central Holding Authority.
3. Output appropriation variance is mainly due to the transfer of funds from 2020-21 to 2021-22 and forward years. Transfers include infrastructure related consultancies and funding from the Repairs and Maintenance Program to the Capital Work Program, offset by increases due to the transfer of the Housing Program Office from the Department of Territory Families, Housing and Communities as part of the Machinery of Government changes.
4. Goods and services received free of charge are resources received from the Department of Corporate and Digital Development without charge. This does not impact the operating result as notional revenue is fully offset by notional expenditure.
5. Gain on disposal of assets is mainly due to gains from the sale of land, which is an unbudgeted item.
6. Other revenue is over budget due to the surrender of land classified under assets acquired for nil consideration, which is not budgeted for.
7. Employee expenditure variance to original budget is mainly due to transfer of the Housing Program Office from the Department of Territory Families, Housing and Communities as part of the Machinery of Government changes. Personnel was under budget at year end against revised budget.
8. Purchases of goods and services variance is mainly due to funding provided for the Centre of National Resilience which was both Northern Territory and Commonwealth funded.
9. Repairs and maintenance variance is mainly due to a the transfer of funds from 2020-21 to 2021-22 and forward years for infrastructure related consultancies and the transfer of funding from the Repairs and Maintenance Program to the Capital Works Program. Repairs and maintenance expenditure is in line with revised budget.
10. Depreciation variance reflects the flow on effect of the 2019-20 revaluation of roads and bridges, which resulted in a change of values for different components and a subsequent reduction to the associated depreciation.
11. Other administrative expenses variance is mainly due to the accounting treatment of non-cash expenditure associated with capital works projects, which did not meet capitalisation criteria.
12. Current grants are under budget mainly due to the milestone related delays for the Regional Transport Capacity Support Program.
13. Capital grants expenditure is in line with revised budget which increased mainly due to non-cash capital grants provided to Local Government Councils for completed works in progress.
14. Interest expenditure is higher based on the lease adjustment for bus contract leases in line with AASB 16.
15. Net impact of asset revaluations for land, land infrastructure, transport infrastructure and heritage and cultural assets.
16. Realisation of associated land transaction reserve amounts.



33. BUDGETARY INFORMATION (continued)

| BALANCE SHEET | 2020-21 | 2020-21 | Variance | Note |
|--------------------------------------|------------------|------------------|------------------|------|
| | Actual | Original | | |
| | | Budget | | |
| | \$'000 | \$'000 | \$'000 | |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and deposits | 302 069 | 43 722 | 258 347 | 1 |
| Receivables | 80 591 | 41 993 | 38 598 | 2 |
| Assets held for sale | 18 277 | 2 214 | 16 063 | 3 |
| Total Current Assets | 400 937 | 87 929 | 313 008 | |
| Non-Current Assets | | | | |
| Advances and investments | 1 036 | 1 008 | 28 | |
| Property, plant and equipment | 9 030 447 | 9 322 975 | (292 528) | 4 |
| Other assets | 22 794 | 24 157 | (1 363) | |
| Total Non-Current Assets | 9 054 277 | 9 348 140 | (293 863) | |
| TOTAL ASSETS | 9 455 214 | 9 436 069 | 19 145 | |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Deposits held | 45 402 | 58 749 | (13 347) | 5 |
| Payables | 28 550 | 13 658 | 14 892 | 6 |
| Borrowings and advances | 4 748 | 8 | 4 740 | 7 |
| Provisions | 16 236 | 14 587 | 1 649 | 8 |
| Other liabilities | 180 902 | 29 403 | 151 499 | 9 |
| Total Current Liabilities | 275 838 | 116 405 | 159 433 | |
| Non-Current Liabilities | | | | |
| Borrowings and advances | 2 180 | 3 431 | (1 251) | 10 |
| Other liabilities | 37 776 | - | 37 776 | 11 |
| Total Non-Current Liabilities | 39 956 | 3 431 | 36 525 | |
| TOTAL LIABILITIES | 315 794 | 119 836 | 195 958 | |
| NET ASSETS | 9 139 420 | 9 316 233 | (176 813) | |
| EQUITY | | | | |
| Capital | 4 615 051 | 4 829 640 | (214 589) | 12 |
| Reserves | 5 842 089 | 5 844 847 | (2 758) | 13 |
| Accumulated funds | (1 317 720) | (1 358 254) | 40 534 | 14 |
| TOTAL EQUITY | 9 139 420 | 9 316 233 | (176 813) | |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

33. BUDGETARY INFORMATION (continued)

Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500 000 or where multiple significant variances have occurred. The original budget used for comparison is in line with accounting standards and is as per the budget published in November 2020. The original budget does not include any government decisions, additional appropriation and Machinery of Government changes made since. Comparison against the revised budget can be found in the Financial Statement Overview of the Annual Report. The Department came in under budget against its revised budget in 2020-21 with a number of underspends due to timing that will be requested for carryover into 2021-22.

1. Cash at bank budget reflects the opening balance of the 2019-20 financial year with budget movements factored in. This is a calculated field at each year end in the budget papers. The increase is primarily due to Commonwealth funded capital grant receipts for projects which are yet to be spent and in line with achieved milestones.
2. Receivables include prepayments for capital works projects. The increase to original budget relates to payments from the Commonwealth.
3. Additional land identified throughout the year as those being available for sale.
4. Property, plant and equipment variance reflects the 2019-20 opening balance and the adjustment in 2020-21 for asset revaluations and net impact of new capital works and transfers of completed assets to the responsible agencies for operational purposes.
5. Deposits held largely reflects recoverable works projects managed by the Department which have reduced during the year due to expenditure incurred on those projects.
6. Payables is a calculated field where the original budget reflects the opening balance of the 2019-20 financial year and has since been updated for the 2020-21 operating result. Increases primarily relate to an increase in accruals at year end following the amalgamation of the Housing Capital Program and the impact of the lockdown for COVID-19 at year end.
7. Adjustment of transport leases to reflect current portion of liability, which was not in original budget.
8. Mainly due to the recognition of provisions for employee entitlements and the increase of FTE with the inclusion of the Housing Program Office.
9. Mainly due to the recognition of Commonwealth funding for projects recorded as unearned revenue to be in line with expenditure and meet accounting standard AASB 1058.
10. Variance to budget relates to additional transport leases, and recognition of current portion of transport leases, which was not in original budget.
11. Recognition of Commonwealth funding for projects recorded as non-current unearned revenue, as expenditure is expected to be incurred in future financial years.
12. Impact of Housing Program Office and completed works transfers to other agencies on completion of projects.
13. Impact of revaluations.
14. Combined impact of improvement to operating statement.



33. BUDGETARY INFORMATION (continued)

| CASH FLOW STATEMENT | 2020-21 | 2020-21 | | Note |
|---|------------------|------------------|-----------------|------|
| | Actual | Original | Variance | |
| | \$'000 | Budget | \$'000 | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Operating Receipts | | | | |
| Grants and subsidies received | | | | |
| Current | 11 244 | 852 | 10 392 | 1 |
| Capital | 10 557 | - | 10 557 | 2 |
| Appropriation | | | | |
| Output | 316 059 | 332 129 | (16 070) | 3 |
| Commonwealth | 29 536 | 25 937 | 3 599 | 4 |
| Receipts from sales of goods and services | 77 224 | 19 647 | 57 577 | 5 |
| Interest received | 14 | - | 14 | |
| Total Operating Receipts | 444 634 | 378 565 | 66 069 | |
| Operating Payments | | | | |
| Payments to employees | (102 325) | (100 041) | (2 284) | 6 |
| Payments for goods and services | (304 468) | (269 720) | (34 748) | 7 |
| Grants and subsidies paid | | | | |
| Current | (8 980) | (9 977) | 997 | 8 |
| Capital | (10 099) | (9 707) | (392) | |
| Interest paid | (116) | (84) | (32) | 9 |
| Total Operating Payments | (425 988) | (389 529) | (36 459) | |
| NET CASH FROM/(USED IN) OPERATING ACTIVITIES | 18 646 | (10 964) | 29 610 | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Investing receipts | | | | |
| Proceeds from asset sales | 1 464 | 2 741 | (1 277) | 10 |
| Total Investing Receipts | 1 464 | 2 741 | (1 277) | |
| Investing Payments | | | | |
| Purchase of assets | (577 862) | (607 519) | 29 657 | 11 |
| Advances and investing payments | (27) | - | (27) | |
| Total Investing Payments | (577 889) | (607 519) | 29 630 | |
| NET CASH USED IN INVESTING ACTIVITIES | (576 425) | (604 778) | 28 353 | |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

33. BUDGETARY INFORMATION (continued)

| CASH FLOW STATEMENT (continued) | 2020-21 | 2020-21 | | Note |
|---|-----------------|----------------|----------------|------|
| | Actual | Original | Variance | |
| | | Budget | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Financing Receipts | | | | |
| Deposits received | (13 347) | - | (13 347) | 12 |
| Equity injections | | | | |
| Capital appropriation | 420 918 | 357 614 | 63 304 | 13 |
| Commonwealth appropriation | 321 838 | 166 409 | 155 429 | 14 |
| Other equity injections | 317 | - | 317 | |
| Total Financing Receipts | 729 726 | 524 023 | 205 703 | |
| Financing payments | | | | |
| Finance lease payments | (6 974) | (4 483) | (2 491) | 15 |
| Equity withdrawals | (4 075) | (1 247) | (2 828) | 16 |
| Total Financing Payments | (11 049) | (5 730) | (5 319) | |
| NET CASH FROM FINANCING ACTIVITIES | 718 677 | 518 293 | 200 384 | |
| Net increase/(decrease) in cash held | 160 898 | (97 449) | 258 347 | 17 |
| Cash at beginning of financial year | 141 171 | 141 171 | - | |
| CASH AT END OF FINANCIAL YEAR | 302 069 | 43 722 | 258 347 | |



34. BUDGETARY INFORMATION (continued)

Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500 000 or where multiple significant variances have occurred. The original budget used for comparison is in line with accounting standards and is as per the budget published in November 2020. The original budget does not include any government decisions, additional appropriation and Machinery of Government changes made since. Comparison against the revised budget can be found in the Financial Statement Overview of the Annual Report. The Department came in under budget against its revised budget in 2020-21 with a number of underspends due to timing that will be requested for carryover into 2021-22.

1. Current grants revenue variation is mainly due to additional Commonwealth funding received for the Centre for National Resilience and is in line with the revised budget.
2. Receipt of capital grants revenue on behalf of the Territory for projects on the Capital Works Program.
3. Output appropriation variance is mainly due to the transfer of funds from 2020-21 to 2021-22 and forward years. Transfers include infrastructure related consultancies and funding from the Repairs and Maintenance Program to the Capital Works Program, offset by increases due to the transfer of the Housing Program Office from the Department of Territory Families, Housing and Communities as part of the Machinery of Government changes.
4. The Commonwealth made an advance payment for 25 per cent of the 2021-22 National Network Repairs and Maintenance Program in 2020-21.
5. Due to GST receipts which are not budgeted for.
6. Variance is mainly due to the transfer of the Housing Program Office from the Department of Families Housing and Communities as part of the Machinery of Government changes.
7. Due to GST payments which are not budgeted for.
8. Current grants are under mainly due to milestone related delays for the Regional Transport Capacity Support Program.
9. Interest expenditure is higher based on the lease adjustment for bus contract leases.
10. Land sales variance is mainly due to the timing of projected land sales.
11. Purchases of assets are under mainly due to timing of capital works expenditure in line with milestones achieved.
12. Deposits held largely reflects recoverable works projects managed by the Department and reflects the use of those funds towards projects.
13. Capital appropriation variance is mainly due to the transfer of the Housing Program Office from the Department of Territory Families, Housing and Communities as part of the Machinery of Government changes.
14. Commonwealth appropriation variance is mainly due to the transfer of the Housing Program Office from the Department of Territory Families, Housing and Communities as part of the Machinery of Government changes.
15. Lease adjustments for bus contracts in line with AASB 16.
16. Transfer of capital works to Darwin Waterfront Corporation.
17. Cash at bank budget reflects the opening balance of the 2019-20 financial year with budget movements factored in. This is a calculated field at each year end in the budget papers. Increase to the balance is primarily due to Commonwealth funded capital grant receipts for projects which are yet to be spent and in line with achieved milestones.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

34. 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.

| ADMINISTERED TERRITORY ITEMS | 2020-21 | | Variance \$'000 | Note |
|---|---------------|---------------|--------------------|------|
| | Actual | Original | | |
| | \$'000 | \$'000 | | |
| TERRITORY INCOME AND EXPENSES | | | | |
| Income | | | | |
| Taxation revenue | 59 892 | 56 659 | 3 233 | 1 |
| Grants and subsidies revenue | | | | |
| Capital | 12 414 | 17 949 | (5 535) | 2 |
| Fees from regulatory services | 5 409 | 7 062 | (1 653) | 3 |
| Royalties and rents | 2 257 | 3 785 | (1 528) | 4 |
| Other income | 17 345 | 5 675 | 11 670 | 5 |
| TOTAL INCOME | 97 317 | 91 130 | 6 187 | |
| Expenses | | | | |
| Other administrative expenses | 97 317 | 91 130 | 6 187 | 6 |
| TOTAL EXPENSES | 97 317 | 91 130 | 6 187 | |
| TERRITORY INCOME LESS EXPENSES | - | - | - | |
| TERRITORY ASSETS AND LIABILITIES | | | | |
| Assets | | | | |
| Other receivables | 14 000 | 689 | 13 311 | 7 |
| TOTAL ASSETS | 14 000 | 689 | 13 311 | |
| Liabilities | | | | |
| Unearned Central Holding Authority income | 14 000 | 689 | 13 311 | 8 |
| TOTAL LIABILITIES | 14 000 | 689 | 13 311 | |
| NET ASSETS | - | - | - | |



35. BUDGETARY INFORMATION: ADMINISTERED TERRITORY ITEMS (continued)

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 from vehicle registrations.
2. Commonwealth revenue recognised in line with milestones.
3. Variance is mainly due to lower than expected revenue received for driver licenses and taxi license fees.
4. Variance is mainly due to lower than expected revenue received for land rent on Crown leases and waiving of other rents for tourism industries affected by COVID-19.
5. Variance is mainly due to the refund of un-acquitted capital grant funding returned to the Central Holding Authority.
6. Expenditure matching revenue to transfer in full to the Central Holding Authority as per the above variations.
7. Application of AASB 1058 recognition of receivable from the Central Holding Authority to match the liability of unearned revenue.
8. Application of AASB 1058 recognition of unearned revenue in line with expenditure milestones which are collected through the Central Holding Authority.



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 1978*
2. *Aerodromes Act Repeal Act 2002*
3. *AustralAsia Railway Corporation Act 1996*
4. *AustralAsia Railway (Special Provisions) Act 1999*
5. *AustralAsia Railway (Third Party Access) Act 1999*
6. *Building Act 1993* (except provisions relating to the regulation and licensing of occupations)
7. *Commercial Passenger (Road) Transport Act 1991*
8. *Control of Roads Act 1953*
9. *Crown Lands Act 1992* (except section 79)
10. *Crown Lands Freehold (Conversion from Crown Leasehold) Act 1980*
11. *Lands Acquisition Act 1978*
12. *Lands Acquisition (Pastoral Leases) Act 1982*
13. *Licensed Surveyors Act 1983* (except provisions relating to the regulation and licensing of occupations)
14. *Marine Act 1981*
15. *Marine Safety (Domestic Commercial Vessel) (National Uniform Legislation) Act 2013*
16. *Miscellaneous Acts Amendment (Aboriginal Community Living Areas) Act 1989*
17. *Motor Vehicles Act 1949* (except Part V)
18. *Northern Territory Land Corporation Act 1989*
19. *Pastoral Land Act 1992* (provisions about Aboriginal community living areas)
20. *Place Names Act 1967*
21. *Planning Act 1999*
22. *Plumbers and Drainers Licensing Act 1983* (except provisions relating to the regulation and licensing of occupations)
23. *Port of Darwin Act 2015*
24. *Ports Management Act 2015*
25. *Public Transport (Passenger Safety) Act 2008*
26. *Rail Safety (National Uniform Legislation) Act 2012*
27. *Special Purposes Leases Act 1953*
28. *Swimming Pool Safety Act 2004*
29. *Traffic Act 1987*
30. *Valuation of Land Act 1963*



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