

2017–2018 ANNUAL REPORT



Department of Infrastructure, Planning and Logistics

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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 2018. The report describes the performance and key achievements of each of the department's output groups, as required by section 28 of the *Public Sector Employment and Management Act*.

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

- a. proper records of all transactions affecting the department are kept, and employees under my control observe the provisions of the *Financial Management Act*, its regulations and applicable Treasurer's Directions
- b. procedures within the department afford proper internal control and a current description of such procedures is recorded in the accounting and property manual, which has been prepared in accordance with the requirements of the *Financial Management Act*
- c. no indication of fraud, malpractice, major breach of legislation or delegation, major error in or omission from the accounts and records exists, excluding the known current investigation into payments made in previous financial years under the Indigenous Employment Provision Sum
- d. in accordance with section 15 of the *Financial Management Act*, I advise that as at 30 June 2018, the department had adequate internal audit capacity and the results of all internal audit matters have been reported to me
- e. the financial statements included in the annual report have been prepared from proper accounts and records and in accordance with the Treasurer's Directions
- f. all Employment Instructions issued by the Commissioner for Public Employment have been satisfied
- g. the department is working in compliance with the *Information Act*.

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

The Auditor-General has conducted various compliance audits during the year to provide audit reassurance that our controls and record keeping practices are maintained at a high level.

Yours Sincerely,



Andrew Kirkman
Chief Executive

Department of Infrastructure, Planning and Logistics

30 September 2018

ABOUT THIS REPORT



This annual report summarises the activities and performance of the Department of Infrastructure, Planning and Logistics for 2017–18. Performance is reported against strategic goals, approved budget and performance measures for 2017–18, 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 Achievements	SECTION 3 Our Performance
Provides an overview of the annual report, including why it is prepared, what organisations are included as part of reporting and the Chief Executive's message.	Introduces readers to the Department of Infrastructure, Planning and Logistics, providing information on our high level structure and the purpose, vision and goals of the department.	Outlines the department's achievements in 2017–18. It includes key highlights in all regions and a summary of priorities that Government set for the department budget highlights and achievements for this year.	Provides an overview of the divisional output groups and documents their performance in 2017–18. It reports on key performance indicators and budget performance with commentary on achievements for this year and priorities for next year.
SECTION 4 Corporate Governance	SECTION 5 Our People	SECTION 6 Financial Performance	SECTION 7 Appendices
Outlines the framework the department uses to guide its operations. This section reports on internal and external audits and achievements of the department's boards and committees.	Provides information on our workforce metrics, such as staffing numbers and our workforce profile. It also includes information on equity and diversity activities, employment programs, investment in learning and development, work health safety and wellbeing.	Is a summary of the department's financial performance for 2017–18. It includes a financial overview and detailed financial statements for the year.	Includes details on the legislation we administer and manage.



CHIEF EXECUTIVE'S MESSAGE

"As part of growing the economy, the Northern Territory Government has continued to prioritise infrastructure projects and repairs and maintenance works, coupled with Government's largest ever investment into the housing program and a number of targeted stimulus work packages."



ANDREW KIRKMAN

Chief Executive
August 2016 - present

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

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

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

The Department of Infrastructure, Planning and Logistics managed a \$2.19 billion infrastructure program in 2017–18, including consultation, design, planning and procurement of several major projects.

Of the \$2.19 billion infrastructure program, the Department of Infrastructure, Planning and Logistics spent \$853 million on capital, minor new works, and on repairs and maintenance projects.

The department provided a steady flow of work to industry, publishing and circulating the department's forward works and planned procurements to building, civil and consultancy businesses.

The Value for Territory initiative supports local businesses by improving the way local content and benefits are recognised, evaluated and realised.

The department awarded 97 per cent of contracts (99 per cent of value) to local businesses in the Territory in 2017–18.

The 10 Year Infrastructure Plan was reviewed in consultation with Government departments, local government, industry bodies and private sector to ensure industry

priorities across the Territory are planned and delivered in consistent and known timeframes.

The Plan provides a framework for Government infrastructure priorities and helps industry plan for and resource upcoming medium and long term infrastructure projects.

In 2017–18, the department delivered on a number of key strategic projects that were brought forward by Government to stimulate the economy and support local jobs growth, including:

- commencement of construction on the new \$30 million Palmerston Police Station to provide centralised police and emergency services for Palmerston and the rural area
- contracting the \$12 million six storey car park at Royal Darwin Hospital to provide 448 car parks for patients, staff and visitors
- commencement of construction works on the \$25 million Warren Park Stadium to create a new home for rugby league



- commencement of construction of the \$18 million Darwin Indoor Netball Stadium at Marrara, which includes \$8 million of funding from the Australian Government secured by Netball NT
- award of the construction contract for the \$6.5 million Tennant Creek Integrated Pre-School
- tendering of works to design and construct an underground car park at State Square in Darwin.

Work continued to progress on some of the Territory's largest road projects, including:

- starting construction of the \$45 million Barneson Boulevard and the final stage of the Tiger Brennan Drive duplication project
- upgrading the Tablelands Highway to connect mining, tourism and cattle industries to market
- upgrading two roads that form the \$100 million Outback Way project – Tjukururu Road and Plenty Highway – to support mining, tourism and agriculture industries
- completing the Roper and Wilton bridges to improve flood immunity on the Roper Highway

- building bridges over Little Horse and Big Horse Creeks to improve flood immunity on the Victoria Highway.

As well as managing and delivering the Government's extensive infrastructure program across 1.3 million square kilometres of the Northern Territory, the department supported several major projects, including:

- planning and design works to upgrade the Keep River Plains Road for Project Sea Dragon
- \$32.2 million project to construct and realign Gunn Point Road to support a proposed hatchery for Project Sea Dragon.

We play a lead role in providing strategic and long term integrated land and infrastructure planning that supports community needs, sustainable economic development and future growth across the Northern Territory. This includes providing access to geospatial data and land-related information for the Territory and providing a range of regulatory and customer services in relation to land and the built environment.

In 2017-18, 10 790 building approvals were lodged with the department, 729 planning applications were processed and more than 350 new residential

lot titles were created after the release of Crown land. 700 Crown leases were also managed over 55 000 square kilometres of the Crown Land Estate.

The department commenced consultation on the Swimming Pool Safety Reform, which aims to deliver safer home swimming pools for children under five years of age, while ensuring the laws are effective and easy for the community and industry to understand.

We have also commenced work on reform for the Northern Territory planning system, working with industry and the community to ensure planning remains open, transparent and accountable, and delivers high quality development.

Part of the department's regulatory role is providing support to a number of statutory bodies including the Northern Territory Planning Commission, Development Consent Authority and Place Names Committee.

The Place Names Committee's focus is to enhance complimentary place-naming processes to elevate Aboriginal identity. The Barneson Boulevard project is the first name undergoing a proposed change to Garamilla Boulevard.



CHIEF EXECUTIVE'S MESSAGE

The department has supported the NT Planning Commission in areas such as strategic land use planning, demography, spatial information, commercial analysis, infrastructure planning and public engagement. With the department's support, the Planning Commission has progressed a number of significant land use planning projects during 2017–18, including land use plans for Central Alice Springs, Central Darwin, Coolalinga / Freds Pass Rural Activity Centre, Humpty Doo Rural Activity Centre and the township of Tennant Creek.

The department also supports the seven divisions of the Development Consent Authority to ensure that assessments and decisions on planning applications are robust, meet the objectives of the NT Planning Scheme and result in appropriate developments. In 2017–18 the department supported the Place Names Committee to enhance and update the place naming process to provide more opportunities for Aboriginal place naming.

Our other core business is to provide strategic transport planning, regulatory and customer

services for public transport as well as driver and motor vehicle licensing and registration services.

The Motor Vehicle Registry continued to streamline its online customer services through MVR Quickpay and Australia Post to provide better access and flexibility, while DriveSafe Remote and DriveSafe Urban delivered driver training to 75 remote communities and urban schools.

The department continued to ensure legislative frameworks are streamlined, relevant, and contemporary and met appropriate standards, including commercial passenger vehicle licensing and regulation services, road transport regulations, the marine and ports regulatory framework and traffic safety and road rules.

The department worked to implement national and local transport reforms to drive economic and social development, including developing and implementing the Towards Zero Road Safety Action Plan and released a discussion paper on the Territory Wide Logistics Master Plan.

We welcomed Hi Oscar as the first ridesharing company on the streets of Darwin after significant strategic work, new legislation and consultation with local industry.

I am very proud of the department's disaster response after Category 2 Tropical Cyclone Marcus hit Darwin in March 2018. A huge combined effort saw all public bus routes returned in the city, Palmerston and rural area within 48 hours of the cyclone's destructive impact.

Many staff left their own damaged homes to help co-ordinate recovery efforts, including clearing streets of debris and trees and repairing vital infrastructure. I congratulate and thank them for their self-less efforts.

I would like to thank all staff, our contractors and other partners for their dedication that has delivered on the department's achievements during 2017–18.



- Andrew Kirkman



OUR ORGANISATION





OUR DEPARTMENT

WHO WE ARE

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

OUR VISION

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

OUR VALUES

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

Commitment to Service

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

Ethical Practice

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

Accountability

The NTPS is transparent and accountable in all its actions.

Respect

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

Impartiality

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

Diversity

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

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

Collaboration

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

Innovation

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

Excellence

We take pride in our work and strive for excellence.



OUR PRIORITIES

1. Long term planning that integrates community needs and industry best practice.
 2. Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio.
 3. Deliver innovative, well-regulated, safe and sustainable services.
 4. Create an organisation with the values, capacity and capability to deliver effective services.
- 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.
 - a \$2.19 billion infrastructure capital works program
 - management of roads, bridges and other transport assets with a written down value of \$4.9 billion
 - management of the Government's land portfolio worth \$948.4 million
 - a total operational budget of \$425.3 million, most of which is funded through output appropriation from the Northern Territory Government's contribution of \$289 million
 - collected revenue on behalf of Government, including:
 - \$75.4 million from rent, royalties and regulatory services including motor vehicle registration and stamp duty fees
 - \$14.8 million from land sales.

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

OUR RESOURCES

At 30 June 2018 the department had:

- 740 full-time equivalent (FTE) staff based in Darwin, Katherine, Nhulunbuy, Tennant Creek, Alice Springs and Yulara
- spent \$853 million on infrastructure payments

OUR STRUCTURE









OUR ACHIEVEMENTS



PROJECT HIGHLIGHTS

Infrastructure, Investment and Contracts Division

PALMERSTON REGIONAL HOSPITAL

The Palmerston Regional Hospital (PRH) was completed on time with additional services including maternity.

The PRH is the first new public hospital to be built in the Northern Territory in over 43 years and will deliver a first class level of health care to Palmerston and regional residents.

The project was jointly funded by the Australian and Northern Territory Governments, each contributing \$110 million and \$60 million respectively

towards an overall construction budget of \$170 million.

Construction of the hospital was completed in April 2018, with operational commissioning undertaken by the Department of Health with the official opening in late August 2018.

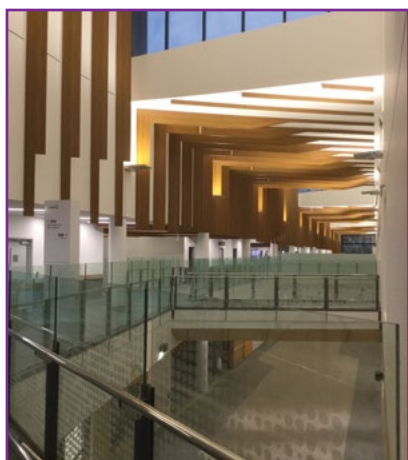
An additional \$4.2 million was provided for additional maternity services by the Northern Territory Government, as well as \$3 million to expand rehabilitation services and build a hydrotherapy pool.

PRH features:

- an emergency department
- 22 240 square metres of floor area over two levels

- general medical wards with a mix of twin and single bedrooms featuring windows and ensuite bathrooms
- outpatient clinics
- undercover car parks
- state of the art information and communications technology
- an electronic security system and a nurse call system.

The project achieved a total local engagement result of 97 per cent with only three packages awarded to interstate suppliers, which included specialist medical equipment and internal signage.





DARWIN CBD REVITALISATION

The Northern Territory Government is delivering several projects to revitalise Darwin's CBD, support jobs and boost economic growth through a partnership with the Australian Government, City of Darwin and Charles Darwin University for a Darwin City Deal.

Darwin City Deal partners are working together to deliver several infrastructure projects that will inject life into the Darwin CBD. Projects include the redevelopment of the State Square precinct, with works already underway on relocating all surface grade parking to an underground facility, greening, shading and linking laneways to improve cooling and pedestrian activity, and construction of an iconic shade structure across Cavenagh Street.

The City Deal is a 10 Year Infrastructure Plan and incorporates work already completed in the Darwin City Centre Masterplan and Economic Development Framework to transform the city into a vibrant economic hub and a cooler, greener, pedestrian friendly place.

Infrastructure projects being supported and delivered by the Department of Infrastructure, Planning and Logistics as part of the City Deal include:

Cavenagh Street heat mitigation

A heat study of Darwin CBD identified Cavenagh Street as one of the hottest locations.

As part of the trial to reduce heat generation, a sculptural, vine-covered pergola style shade structure is being constructed along a section of Cavenagh Street to provide shading and cooling to the area.

A \$2.7 million contract was awarded to a local company in May 2018 to build the 55 metre long shade structure, which incorporates the use of Stringybark timber supplied by a local Aboriginal owned corporation. Works will also include the installation of a new shared zone pedestrian crossing, misting, lighting, vine planters and landscaping.

The structure is expected to be complete in October 2018.

State Square Redevelopment and Underground Car Park

A local company was awarded a \$19.4 million contract in May 2018 to design and construct a 450 space, three level underground car park at Assembly Park, within the State Square precinct.

The project will enable future development of the State Square precinct by relocating existing surface grade car parks to an underground facility and create more green space within the Darwin CBD.

Future stages of the redevelopment include relocating the bus terminal, demolishing the Chan Building and creating more parklands, pathways and improved amenities. The underground carpark will have a dual role as a cyclone shelter for up to 600 people.



Works commenced in June 2018 and are expected to be complete by the end of 2019.

Bringing laneways to life

The department is working with the City of Darwin and local businesses to upgrade laneways and arcades throughout the Darwin CBD, with Austin Lane selected as the pilot site to activate links between Smith Street Mall, Raintree Park and Cavenagh Street.

The projects will deliver a series of connected laneway spaces to capture cooling breezes from between buildings, support existing local businesses and provide improved pedestrian links. The design will showcase local artwork, murals and sculptures, and create new spaces for vibrant community events.

A tender for construction of Austin Lane upgrades is expected to be released later in 2018.

Smith Street

The department is working with the City of Darwin to identify opportunities to increase shading and amenity along Smith Street in an effort to improve linkages between the Darwin Waterfront and Cullen Bay.

PROJECT HIGHLIGHTS

Infrastructure, Investment and Contracts Division



PET SCANNER PROJECT AND ALAN WALKER CANCER CARE CENTRE UPGRADE

The expansion of high quality cancer treatment and diagnosis services in the Northern Territory is underway, with \$23 million in projects, jointly funded by the Australian Government (\$15 million) and Northern Territory Government (\$8 million), to provide for:

- expansions at RDH Medical Imaging to house a PET Scanner
- expansions at the Alan Walker Cancer Care Centre (AWCCC) to accommodate an additional 12 chemotherapy chairs and associated services
- a new purpose built Cyclotron and Radiopharmacy facility to be constructed as an extension of the AWCCC
- the purchase of a PET Scanner and associated equipment



- the purchase of the Cyclotron that makes the isotopes used in PET scans.

In August 2017, a \$6.6 million contract was awarded to a local company for construction of the PET Scanner facility at Royal Darwin Hospital. The PET Scanner will be co-located with the Imaging Department on the ground floor of the Royal Darwin Hospital main ward building. This contract also includes construction of a facility to accommodate a new CT Scanner, which is a separately funded Northern Territory Government project. Construction of the new CT Scanner facility was complete

in August 2018, and these services are now operational. Works on the PET Scanner facility are underway and anticipated to be complete in September 2018.

In March 2018, a \$10.5 million contract was awarded to a local company to deliver works to expand treatment at the Alan Walker Cancer Care Centre and construct a facility to accommodate a Cyclotron, which will produce isotopes needed for the PET service. Works for the chemotherapy chair expansion are underway. Construction of the Cyclotron facility is expected to commence in October 2018.



ROYAL DARWIN HOSPITAL MULTI-STOREY CAR PARK

A total of 448 new car parks will be available for patients and visitors of Royal Darwin Hospital with construction of a multi-storey car park expected to be complete in November 2018.

A local company was awarded the \$12 million contract to construct the carpark in June 2017.

Construction began in August 2017 with work on a temporary car park for staff, patients and visitors. The concrete structure is now complete, with the fit-out continuing from the ground floor upwards.

The new car park will increase parking capacity at Royal Darwin Hospital and is designed to cater for current and future demand, with additional storeys able to be added.

Approximately 70 people have been employed on the project including 12 Aboriginal employees and 11 apprentices, of which three are Aboriginal.



DARWIN INDOOR NETBALL STADIUM

Work is underway to construct Darwin's first national standard indoor netball stadium with the capacity to seat 2000 spectators.

The netball stadium, which initially received \$10 million plus an additional \$1.8 million for undercover parking from the Northern Territory Government also received \$8 million from the Australian Government, secured by Netball NT, and is expected to be completed in November 2018.

Works are underway with a design and construct contract awarded to a local company in September 2017.

The fully airconditioned facility includes four national standard netball courts with sprung floor surfaces, seating, change rooms, food and corporate facilities and basement parking.

The state of the art design stadium will provide Territory netballers with the ability to play all year round, provide for national and international games to be played at the venue and enable Netball NT to open up the venue to more social and corporate netball competitions to attract a wider range of users.

PROJECT HIGHLIGHT

Infrastructure, Investment and Contracts Division

WARREN PARK STADIUM

The Northern Territory's new home of rugby league is under construction with award of a design and construct contract to a local company for \$25 million in January 2018.

The new facility will provide three full sized fields with one to national standard, a grandstand with 1200 seating capacity, four change rooms, corporate facilities, food and beverage facilities, car park and the ability to host other sporting events requiring a rectangular field, such as rugby union and soccer.

The stadium concept was designed in consultation with the rugby league community, as well as key stakeholders and the



wider community through the Northern Territory Government's 'Have Your Say' website.

Early site works identified asbestos containing material within soil mounds during the clearing of vegetation works, and the Department of Infrastructure, Planning and Logistics worked

closely with the contractor and an independent asbestos hygienist to remediate the site.

The project is expected to support more than 120 local jobs during construction, and will be complete by April 2019.



PALMERSTON POLICE STATION

Works are underway on the new \$30 million Palmerston Police Station, with close to 200 local jobs being supported during construction.

The project will provide a Police Station, Watch House and a Community Centre with secure front counter, meeting/interview rooms and waiting area.

The new facility will provide a platform to deliver contemporary policing within the Palmerston and rural areas for the next 50 years.

A contract to construct the new facility was awarded to a local company in April 2018, and works are anticipated to be complete in May 2019.

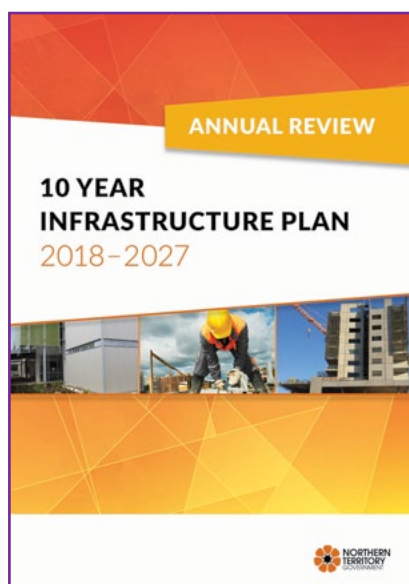




10 YEAR INFRASTRUCTURE PLAN

The 10 Year Infrastructure Plan maps out the Northern Territory Government's anticipated major infrastructure requirements for the next decade.

The Plan also outlines the priority infrastructure projects over a 10 year horizon based on feedback from the 2016-17 Economic Summit process.



Informed by the Government's Economic Development Framework and Infrastructure Strategy, the Plan identifies priority infrastructure projects in the short (one to two years), medium (three to five years) and long term (seven to 10 years).

The Department of Infrastructure, Planning and Logistics conducted the first review of the Plan in 2017-18 and sought feedback from a range of industry, private sector, Government and community stakeholders.

The medium and long term projects proposed in the plan are at various levels of planning and represent potential projects for future development.

Each project is classified in terms of its sector and has an identification number to track progress as well as a total estimated cost of the project and the year it is proposed to be delivered.



The aim is to give industry confidence the Government is investing in strategic infrastructure and enabling industry and the private sector to plan ahead and manage its workforce to support infrastructure projects.

The Plan is a living document that will be reviewed annually to ensure it continues to meet community, industry and Government needs and priorities.



BERRIMAH FARM REDEVELOPMENT PROJECT

Office accommodation being upgraded for 100 Northern Territory Government staff working on primary industry and fisheries priorities as part of a \$21 million redevelopment of Government facilities at Berrimah Farm.

The redevelopment project includes new essential site infrastructure, new field laboratory facilities and a new molecular laboratory wing.

A contract has been awarded to upgrade water, fire and sewer services for facilities on site and a new field laboratory is being designed in consultation with the Department of Primary Industry and Resources.

The new infrastructure will support the Government's long term commitment to ensure agribusiness remains a key growth sector as identified in the Economic Development Framework.

PROJECT HIGHLIGHTS

Lands and Planning Division

PLANNING REFORM

The department released a discussion paper to encourage feedback from the community and key stakeholders about potential reforms for the planning system.

The Planning Reform – Review, Reframe, Renew discussion paper explored how to create a planning system that is easier to access, progressive and transparent on how planning decisions are made and how the process works.

The paper was released in September 2017. An external firm, Elton Consulting was engaged to undertake the consultation, which included

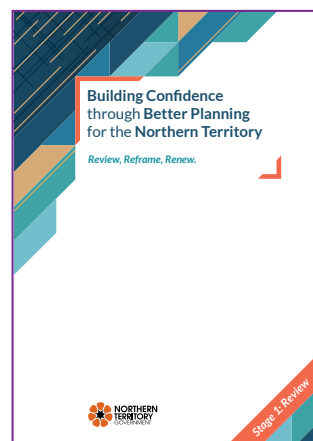
an online survey, workshops and pop up consultation sessions. Consultation closed in December 2017.

The consultation looked at the planning system as a whole, from legislation and regulations to the department's web content and communicating planning decisions to the public.

The paper was based on six principles for planning, including providing certainty, balancing competing interests, ensuring transparency, reducing complexity, meaningful community participation and consultation and expanding opportunities for decisions to be reviewed.

A consultation outcomes report has been provided to the department and is available for public review.

Further consultation will continue in 2018–19.



PLANNING FOR A VIBRANT FUTURE

The department is working on a strategic vision for the cities, towns and remote areas of the Northern Territory in consultation with the community.

The Planning for a Vibrant Future discussion paper was released in November 2017 and aimed to create individual visions for future growth of the following key areas:

- Darwin as Australia's northern capital
- Palmerston as the family city
- Darwin's rural area and its unique rural lifestyle
- Weddell as our new tropical city
- Cox Peninsula and its saltwater living
- Katherine as a logistics and agribusiness hub

- Tennant Creek as a mining services centre
- Alice Springs as Australia's inland capital
- Nhulunbuy as Arnhem's peninsula paradise
- regional and remote areas as our cultural landscape.

In late 2017 and early 2018, the department held information sessions in Darwin, the rural area, Palmerston, Tennant Creek, Alice Springs, Wagait and Katherine to talk to the community about planning for future growth in their area.

The community was asked key questions including what they thought about the Government's vision for the Northern Territory, creative ways to enliven our cities and towns and whether the Northern Territory was on the right track to maximise economic development

opportunities while retaining the Territory's unique lifestyle.

The vision outlined in the document aims to harmonise land use planning with the Government's overall strategy for developing the Northern Territory. The vision explores what a confident, thriving and vibrant place the Territory could become if we approached population growth thoughtfully.





FLOOD MITIGATION

Rapid Creek

Construction on a detention basin started in June 2018 as part of flood mitigation measures to reduce the impact of flooding in the Rapid Creek catchment.

A local company was awarded the \$7.5 million contract to build the detention basin on the corner of McMillans Road and Henry Wrigley Drive in Marrara, which will hold waters from the upper catchment during heavy rainfall events.

A number of environmental investigations have been completed to manage any impact on the Rapid Creek ecosystem and the presence of minor trace concentrations of PFAS.

The design retains as much native vegetation as possible and once completed the basin floor and embankment will be grassed to stabilise it against erosion. The detention basin is free draining and will hold water for up to 24 hours, depending on the severity of the rainfall event.

The excavation and the bulk of the earthworks commenced in mid 2018 and are expected to be completed before the start of the 2018–19 wet season.

Ludmilla

The structural flood mitigation works for the Ludmilla Creek catchment have been completed.

The department has delivered the \$7 million project in collaboration with the Department of Defence and City of Darwin, who helped fund the measures after they

were recommended in a report published by the Darwin Flood Mitigation Advisory Committee.

A holding basin has been constructed on the Bukatilla playing fields inside RAAF Base Darwin and a detention basin has been built on Defence land in Denowen Street to reduce the impact of flooding on houses and Bagot Road.

Stormwater drainage has also been upgraded on Reichardt and Benison Roads, and Dwyer

Park has undergone significant redevelopment works to include a holding basin to accommodate the one in 100 year flood and a new playground.

Construction began concurrently on the works in early 2017 and was completed by December 2017.

Despite experiencing a higher than average wet season in 2017–18, no flooding was reported by residents in Ludmilla and The Narrows following completion of the works.



SWIMMING POOL SAFETY REFORM

The Swimming Pool Safety Reform aims to deliver safe home swimming pool areas for children under five years of age and laws that are effective and easy for the community and industry to understand and follow. On 11 May 2018 the department commenced an eight week Territory wide consultation including an online survey, industry and key stakeholder meetings and 13 public pop up consultation stands held at various locations.

The consultation focused on five key areas:

- the current exemptions from requiring a pool barrier at:
 - o properties 1.8 hectares or more in size
 - o short term holiday accommodation in houses, townhouses and units.
- enabling updated safety standards for pool barriers to be adopted
- alternative access solutions for people with a disability
- compliant temporary pool safety barriers during construction.

PROJECT HIGHLIGHTS

Strategy, Policy and Legislation



TOWARDS ZERO ROAD SAFETY ACTION PLAN

The Northern Territory Government has developed a new road safety action plan that puts forward a vision of zero deaths and serious injuries on Northern Territory roads.

On average about 48 people die and 540 people are seriously injured on Territory roads each year.

The Department of Infrastructure, Planning and Logistics released the five year Towards Zero Road Safety Action Plan on 23 March 2018.

The development of Towards Zero was informed by extensive community consultation, which included a discussion paper and community forums held to capture ideas and

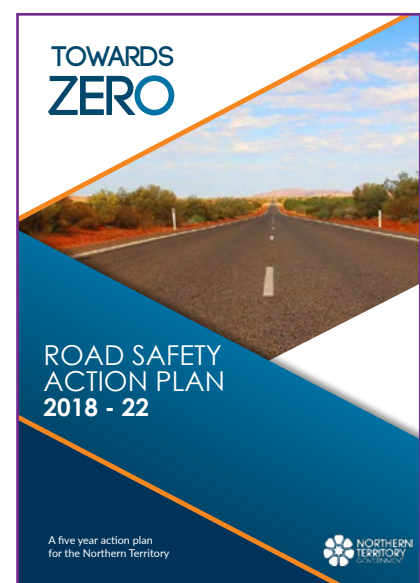
suggestions from the public on how to improve road safety.

Towards Zero includes actions to address key road safety priority areas for the Northern Territory, including alcohol and drugs, seatbelts and child restraints, speed and driving to the conditions, roads and roadsides, safer vehicles, Aboriginal people, novice drivers, motorcyclists, pedestrians, visiting drivers and cyclists.

Towards Zero takes a holistic approach, using the Safe System approach, which considers how the whole road system can prevent death and injury, including driver behaviour, roads and roadsides, vehicles and speed.

As part of a marketing campaign, 125 Yellow Ribbon signs were installed on roadsides across the Northern Territory to raise awareness about road safety.

Grants have also been made available to support community initiatives towards achieving zero deaths and injuries on our roads and a marketing strategy and campaign is being implemented across the community.





TERRITORY-WIDE LOGISTICS MASTER PLAN

Connecting Territorians by an efficient, safe and reliable logistics network is a key priority of the Northern Territory Government's Economic Development Framework (EDF).

The Department of Infrastructure, Planning and Logistics developed a discussion paper to guide the development of a Territory-wide Logistics Master Plan, which will support Darwin as Northern Australia's gateway to Asia.

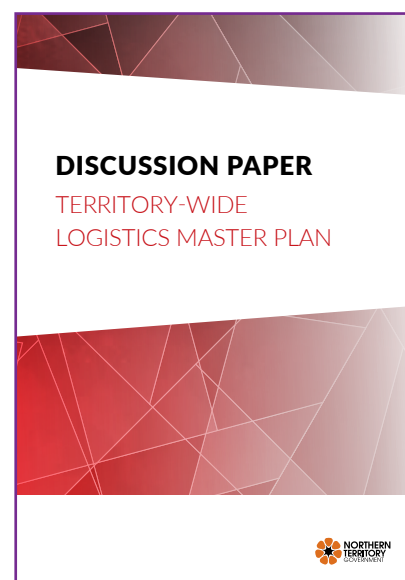
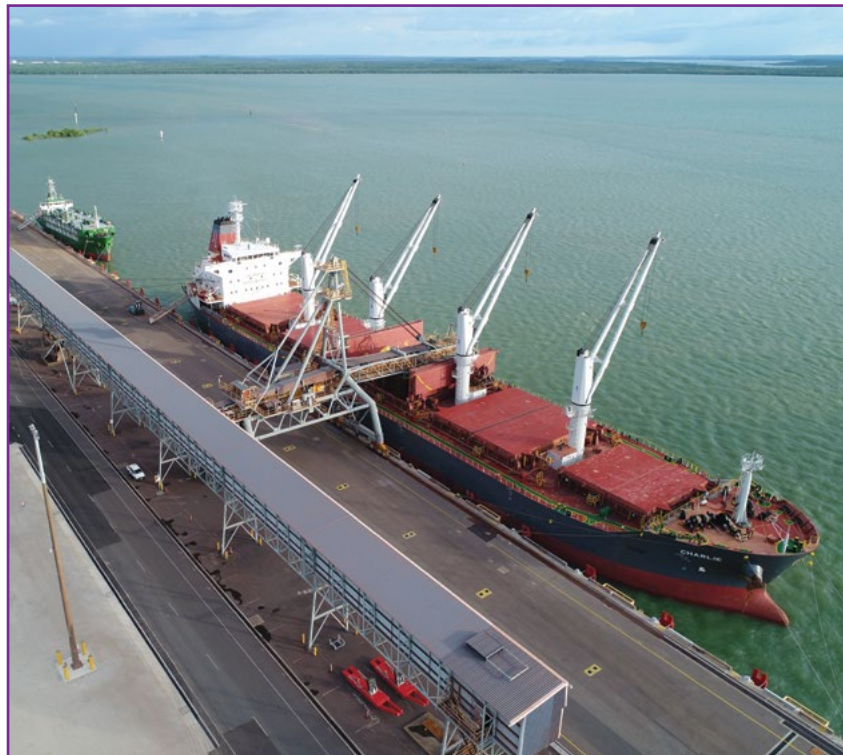
The Northern Territory's economic growth and wellbeing depends heavily on efficient and

effective freight and logistics systems, including reliable transport services and quality infrastructure networks.

The Master Plan will focus on integrated logistics and land use planning, infrastructure development, regulatory reforms and workforce development to support the major growth sectors identified in the EDF, including agriculture, energy and resources, defence and tourism.

The Master Plan will outline the Government's role in supporting these supply chains, unlocking our economic potential and providing a framework to partner with industry to improve freight outcomes.

The aim of the Master Plan will be to unlock the Northern Territory's economic potential by establishing Darwin as Northern Australia's logistics hub and gateway to Asia, while ensuring the Northern Territory's remote centres and regional centres are well serviced by the logistics network, including establishing logistics hubs for agriculture in Katherine and for mining in Tennant Creek.



PROJECT HIGHLIGHTS

Transport and Civil Services

CYCLONE MARCUS RESPONSE

On 17 March 2018, Cyclone Marcus impacted Darwin causing significant damage to public and private infrastructure across the region.

The Department of Infrastructure, Planning and Logistics plays a key role in emergency preparedness, response and recovery operations for natural disaster events with functional group responsibilities for Transport and Engineering, which includes response and recovery functions of:

- clearing essential traffic routes
- road management and traffic control, including public information on road closures
- inspecting damage to government buildings and assets
- restoring of public buildings, roads and bridges
- waste and debris management for public asset clean ups, including collection and disposal.

In the lead up to Cyclone Marcus, the department activated its emergency preparedness plans and participated in cross-Government planning and coordination for response. This included providing logistical support for public shelters by providing generators and ablution facilities at required locations.

The actions of department staff in implementing emergency response plans provided swift and efficient reinstatement of services across the Darwin region, with most public services back in operation within three days following the cyclone event.

Day one, following impact and after the 'all clear' had been given, the department commenced clearing of priority road routes, followed by systematically clearing tracks and roads to allow essential services to access damaged area. Generators were put in place to service traffic lights that had lost power along these routes.

Days two and three saw continued route clearing and the

opening of main arterial roads, with further generators installed for traffic lights. Transit Officers assessed over 100 routes of travel for both urban and school bus networks and routes of travel were brought back on line as each road was cleared as safe to use. A number of urban bus services were reinstated, while diversion plans were developed for other routes. The ferry services from Cullen Bay to Mandorah also recommenced services.

Along with essential road and transport recovery works, the department undertook priority inspections and assessments on 73 schools within the Darwin, Palmerston and Rural area. The majority of schools received substantial damage to shade structures, fences and tree damage, which limited some schools from immediately reopening due to safety reasons. In addition to Education assets, inspections and remedial works were required on all other Government assets throughout the Greater Darwin Region.





Through the use of the department's Disaster Response Application, asset inspections could be recorded through tablet devices that provides data straight back to a central point for assessment and dispatch work crews to undertake clean-up and restorative works. This allowed recovery works to be done quickly and efficiently, with the Disaster Application now having been used in both flooding and cyclone events with great success.

The mapping and spatial group used spatial mapping to develop an interactive map to help plan the recovery efforts on a street by street basis and enable emergency services to prioritise road clearing services. The map showed roads that required clearing and was continuously updated as roads were cleared of fallen trees, power lines and debris.

Many department staff worked to restore transport and building infrastructure in the days immediately following the cyclone.



LITCHFIELD ROAD UPGRADE

Work began in April 2017 to seal Stage 1 of the Litchfield Park Road as part of a \$29 million upgrade of the busy tourist link.

The Litchfield Park Road upgrade will provide all year round access for tourism, pastoral and agriculture industries, park visitors, Aboriginal communities and residents.

Stage 1 of the project to construct a new sealed dual lane pavement for a three kilometre section of the road was completed in December 2017.

Stage 2 includes building a two-lane, sealed rural arterial road and a 160 metre long bridge over the Lower Finniss River to allow wet season access to the Litchfield area.

This section of the Litchfield Park Road is currently impassable during the wet season due to flooding at the Finniss River.

The alignment for the new bridge crosses over two Aboriginal Land Trusts. The department has been working with the Traditional Owners through Project Leadership Teams to incorporate Traditional Owner views into the project and how to maximise local Aboriginal employment. The Project Leadership Teams will meet throughout the project delivery.

A tender is expected to be released in late 2018 and construction is due to start in the Dry of 2019. Due to the nature of the area, construction will be undertaken over two dry seasons and work is expected to be completed by the end of 2020.

PROJECT HIGHLIGHTS

Transport and Civil Services

COMMERCIAL PASSENGER VEHICLE REFORM INCLUDING RIDESHARING

The department approved the first rideshare company to operate in the Northern Territory after a new regulatory framework was introduced in February 2018 by the Northern Territory Government.

Western Australian rideshare company Hi Oscar began operating in Darwin and Alice Springs, and female focused Australian company Shebah is approved but not yet operating. Uber also announced that it will be joining the rideshare options in Darwin in August.

The regulatory framework creates a fair and equitable model for ridesharing and other commercial vehicle operators and was introduced following consultation with the commercial passenger vehicle industry, general public and key stakeholders.

The model levels the playing field for all commercial passenger vehicle industry



sectors with a strong focus on safety and includes:

- reducing licence fees for most Commercial passenger transport categories
- a new \$300 annual licence fee for rideshare services
- \$1 per trip levy for all taxi, minibus, private hire and rideshare trips to be re-invested back into the industry
- industry is now responsibility for driver training, which has reduced red tape and the cost of obtaining a taxi driver licence
- Government will continue conducting fit and proper assessments including criminal history and medical checks for all commercial passenger vehicle drivers
- continued use of in-car security cameras for taxis and minibuses
- network approvals required for rideshare companies to operate
- annual vehicle inspections for all commercial passenger vehicles, including rideshare
- penalties substantially increased to provide a deterrent to those seeking to break the law.



The Government will review the introduction of regulations and ridesharing services in 2020 to ensure the new reforms are delivering on community expectations and do not disadvantage people living with disabilities.

PROJECT HIGHLIGHTS

Transport and Civil Services



BARNESON BOULEVARD AND TIGER BRENNAN DRIVE STAGE 3

Work has started under a \$45 million contract to build the new arterial road link to the CBD and the final stage of Tiger Brennan Drive duplication from McMinn Street to Dinah Beach Road.

The project was awarded to a local company on 17 May 2018 and is expected to create 130 jobs during the construction phase. Initial vegetation clearing and geotechnical work was completed in early 2018 and earthworks began in June 2018.

The new CBD arterial road link and Tiger Brennan Stage 3 project will better distribute traffic on CBD streets and provide the

community with a third option to enter and exit the city.

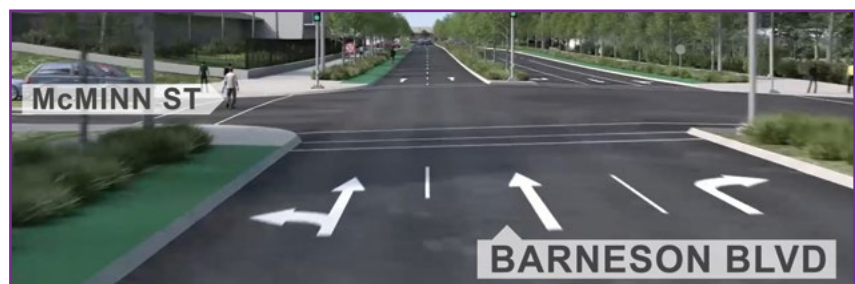
Additional consultation about creating a green entry into the city and to respect the heritage value of Frog Hollow will result in a tree-lined boulevard design that incorporates extensive landscaping, public art and dedicated spaces for pedestrians and cyclists.

Trees with wide shade canopies will be planted along the route, having a cooling effect on the city

and urban art will be incorporated as the construction progresses.

The project is funded by \$29.5 million from the Australian Government, \$5 million from the City of Darwin and \$10.8 million from the Northern Territory Government, which included funding for the public space enhancements and landscaping features.

The project is anticipated to be completed by mid-2020, weather permitting.



GUNN POINT ROAD UPGRADE

The department packaged up the upgrade of Gunn Point Road into three contracts and awarded them to three local companies to complete by early 2019, weather permitting.

Work started on the \$32.2 million construction project in May 2018 to upgrade 34 kilometres of the road and realign the existing section of Gunn Point Road to its final road corridor.

The project will help support Project Sea Dragon, a \$1.45 billion USD prawn aquaculture project, which is building a hatchery at Gunn Point, and to improve access for fishing, tourism, extractive industries and recreational and commercial developments in the area.

The Gunn Point Road upgrade will create 135 construction jobs over a 12 month period.



REGIONAL HIGHLIGHTS - KATHERINE

Katherine Logistics and Agribusiness Hub

Consultation with a range of industries has identified a number of key needs that could be filled by building a logistics and agribusiness hub in Katherine.

The Northern Territory Government has identified significant medium term funding to establish the Katherine Logistics and Agribusiness Hub.

An Industry Needs Assessment has been completed.

Industries consulted included agriculture/horticulture, livestock, aquaculture, defence, education, energy and resources/oil and gas, retail/service, roads and transport, tourism, freight and logistics,

engineering and construction, rail and local government.

Feedback was positive, with people stating a hub would:

- boost the local economy by generating short term construction jobs and long term industry employment
- support future agribusiness and mining in the region
- help establish new industries and businesses
- improve existing transport linkages between Katherine and Darwin, including the port and airport.

The Industry Needs Assessment, along with other investigative studies, are informing a masterplan for the hub.



Roper and Wilton River bridges

A traditional smoking ceremony was held with the Traditional Owners and the Ngukurr community on 26 February 2018 to officially open two new high level bridges over the Roper and Wilton Rivers, which were completed in December 2017. A total of 79 local Aboriginal people were involved in the \$50.9 million upgrade of the Roper Highway, which included resealing seven kilometres to improve flood immunity.



Big Horse, Little Horse Creek bridges

The Big Horse and Little Horse creek crossings are situated on the Victoria Highway. The Victoria Highway is part of the National Network between Darwin and Perth and is the only sealed connection between the Northern Territory and Western Australia.

The section including the Big and Little Horse Creeks forms part of the main route to the Bulla and Amanbidji communities, and is utilised by the Bradshaw Defence facility. A \$35.5 million flood immunity project began

in July 2017 to construct a new raised dual lane sealed pavement between the two creeks and raise the car park entrance adjoining Bradshaw Bridge. The project is expected to be completed in May 2019. The project includes the design of the three-lane bridge at Little Horse Creek crossing to improve traffic safety for hazards in close proximity to an intersection. The application of a temporary structure and Controlled Modulus Columns will reduce adverse settlement impacts and thereby improve the ride-ability of road users.



Katherine Hospital upgrades

A number of works are being undertaken to improve Katherine Hospital's flood resilience.

Upgrades include improving and moving the hospital power supply out of the flood zone and building

a new emergency helicopter landing pad with the capacity for day and night landings, catering for large aircraft from the Australian Defence Force and Careflight.

Other projects include upgrading amenities for 18 accommodation units, a new car

park, installing new LED lighting to improve energy efficiency and upgrading the power supply for a new CT scanner.

REGIONAL HIGHLIGHTS - TENNANT CREEK



Tablelands Highway

The first Beef Roads contract to upgrade a 28.5 kilometre stretch of the Tablelands Highway was advertised in April 2018 and construction expected to be completed in December 2018. The road is a major connector for pastoral properties and cattle industry between the Barkly Highway and the Carpentaria Highway, which links the beef producing Barkly Tablelands and Queensland with Northern Territory. The project will also to improve safety for the mining and cattle industries.

Tennant Creek Integrated Learning Centre

A contract to construct a new \$6.3 million Early Childhood Integrated Learning Centre in Tennant Creek was awarded in June 2018 to a local company, and works have commenced. The learning centre will cater for up to 88 children and combines facilities for pre-school and a

child and family centre. The new facility will support the Families as First Teachers Program and early intervention support, by providing improved facilities including meeting rooms, specialists visiting rooms, outdoor learning resources, staff areas and amenities. The project is expected to generate 36 local jobs during construction and will be complete in late 2018.



Tennant Creek Land Use Plan

The Northern Territory Planning Commission conducted the first stage of consultation to develop the Tennant Creek Land Use Plan to guide land release and development in the Barkly Region. The consultation included a community session in Tennant Creek in December 2017 and encouraged people to provide feedback on:

- potential land use and development to cater

for a growing population approaching 5000 and 8000 people

- the future of the existing business hub on Paterson Street
- preserving the rural character and small lot rural subdivision south of the town
- areas for future industrial development west of the town
- how to protect major corridors for essential infrastructure.

REGIONAL HIGHLIGHTS - ALICE SPRINGS



Heavitree Gap, Stuart Highway duplication

Consultation is continuing on the best option to improve traffic flow on the Stuart Highway through Heavitree Gap in Alice Springs.

The project is important to the Northern Territory Government as it provides long term planning to meet future needs of the primary route connecting the north and south of Australia. The Gap is a particularly narrow part of the MacDonnell Ranges, catering for the Stuart Highway, national railway and Todd River to pass through, with a number of Aboriginal sacred sites, heritage sites and power and water trunk services close by.

Stage 1 of the consultation was to gather feedback from the local community about the best option to duplicate the highway, which was completed in March 2018, with more than 500 people providing input.

People provided feedback through information stalls at Alice Plaza, Yeperenye Shopping Centre and Todd Mall Markets, 30 face to face meetings, 139 surveys, a design exercise with 70 local school students and an online interactive map via the Northern Territory Government's 'haveyoursay.nt.gov.au'.

A workshop was also held with Town Camp residents and a 'talking poster' was developed

in Eastern Central Arrernte language, while conversations continue with Traditional Owners in Alice Springs.

The consultation identified pedestrian and cyclist safety as an immediate concern and further community consultation will occur in 2018-19 before the preferred design solution is announced towards the end of 2018.

REGIONAL HIGHLIGHTS - ALICE SPRINGS CONTINUED



Outback Way – Plenty Highway and Tjukururu Road upgrades

The Outback Way is known as “Australia’s Longest Shortcut” and connects Winton in Queensland to Laverton in Western Australia. As part of the Outback Way funding, five floodways have been built and eight kilometres sealed on the Tjukururu Road and a further 5.5 kilometres sealed on the Plenty Highway. The works, which were completed

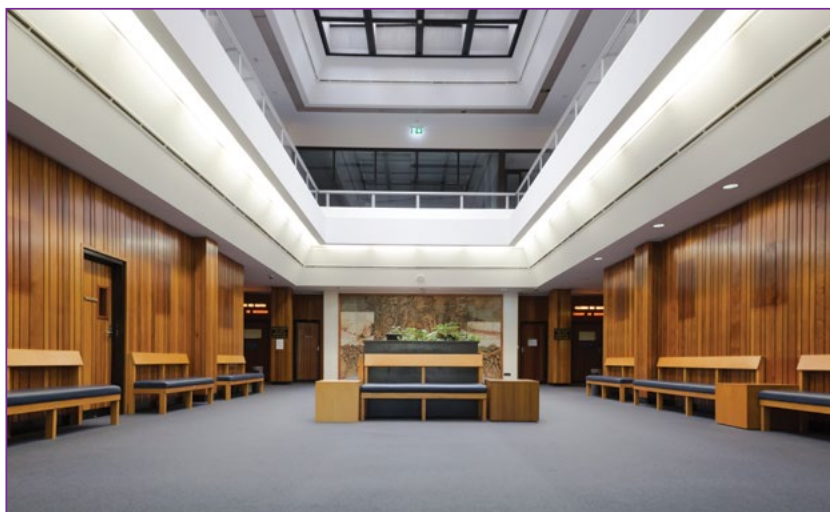
in March 2018 and September 2017 respectively, are part of an ongoing multi-million dollar upgrade to improve overall safety and flood immunity, reduce road closures and increase access and support for mining, agriculture and tourism industries. To date, 42 kilometres of the Outback Way have been upgraded with joint Australian and Northern Territory Government funding.

Alice Springs Local Court upgrades

A \$9.8 million contract has been awarded to upgrade the Alice Springs Court House, including providing a new specialised Domestic Violence Court to improve access and services for domestic violence matters.

The work involves refurbishing the Alice Springs Court House to create five fully refurbished courtrooms, including one multi-purpose court and a court that features a purpose built AV room so victims cannot see or be seen by the defendants.

The upgrades have been designed to protect vulnerable witnesses by providing a separate entrance and waiting area.



Culturally appropriate waiting areas are also included in the building works, and the court house upgrades will meet national *Disability Discrimination Act* standards by addressing access issues for people living with disabilities.

Works began in May 2018, with completion anticipated by the end of 2018.



Alice Springs Palliative Care Facility

The first dedicated Palliative Care Facility in Alice Springs was officially opened in March 2018 and provides patients with a less clinical and more homely environment for end of life care. The jointly Australian Government and Northern Territory Government funded \$6.2 million purpose built facility was constructed by a local Alice Springs company. Each of the 10 bedrooms feature a private outdoor area and the facility includes private family rooms.

REGIONAL HIGHLIGHTS - NHULUNBUY



Gove District Hospital

The Gove District Hospital's Emergency Department Upgrade Works are complete with the facility officially opened in September 2018.

The jointly funded Australian Government and the Northern Territory Government project delivered over \$13 million in works, including creating a dedicated emergency ambulance entrance, external decontamination area, triage and administration area, waiting area, acute treatment area, staff areas and a negative pressure isolation room, low stimulus room and family room.



DEPARTMENT PRIORITIES



OUR STRATEGIC OBJECTIVES

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

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

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



Investing in the bush



Trust



Jobs and economy



Putting children at the heart of Government



Investing in our staff
(DIPL theme)



Safer and vibrant communities



Greening and vibrant cities



DIPL STRATEGIC PLAN 2018–2021

LONG TERM PLANNING	INFRASTRUCTURE DELIVERY	QUALITY SERVICES	CONTEMPORARY ORGANISATION
<p>Long term planning that integrates community needs and industry best practice.</p> <p>Provide a more 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>Deliver and support Darwin and Alice Springs CBD revitalisation.</p> <p>Deliver the Territory Wide Logistics Master Plan.</p> <p>Implement the Northern Territory Road Safety Action Plan - Towards Zero.</p> <p>Plan for Weddell and Cox Peninsula in partnership with land owners.</p> <p>Support the NT Planning Commission to fulfill its strategic planning role for the Northern Territory.</p>	<p>Deliver the Territory's Infrastructure Program and maintain its Infrastructure Portfolio.</p> <p>Plan and maintain the Territory's infrastructure portfolio including delivery of Government's extensive infrastructure program ensuring a rolling pipeline of works.</p> <p>Support the local economy, jobs and construction through Value for the Territory procurement processes.</p> <p>Promote Government's infrastructure priorities and achievements as outlined in the 10 Year Infrastructure Plan.</p> <p>Deliver improvements to transport infrastructure including roads, bridges, barge landings and aerodromes.</p> <p>Support the development and implementation of Government's Aboriginal Contracting Framework.</p> <p>Create a safer, more productive contractor environment by ensuring compliance with safety standards and requirements.</p> <p>Plan for and manage transport infrastructure assets to ensure these meet the needs of the Territory.</p>	<p>Deliver innovative, well-regulated, safe and sustainable services</p> <p>Implement contemporary regulatory frameworks that support innovation and efficiency, reduce red tape and deliver safe outcomes, in particular:</p> <ul style="list-style-type: none"> • review Building Regulatory Framework; • progress Swimming Pool Safety Reform; and • progress Planning Reform. <p>Timely planning and development 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 at Motor Vehicle Registries.</p> <p>Develop and deliver a regulatory model to facilitate ridesharing in the Northern Territory.</p> <p>Develop policy options which support autonomous and electric vehicles in the Territory.</p>	<p>Create an organisation with the values, capacity and capability to deliver effective services.</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>Explore and develop 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 and accountability with a focus on continual improvement in our performance reporting and delivery.</p>

FINANCIAL SNAPSHOT

For the 2017–18 financial year, the Department of Infrastructure, Planning and Logistics operated with 740 full time equivalent (FTE) staff and a budget of \$425.3 million.

It provided services across six output groups:

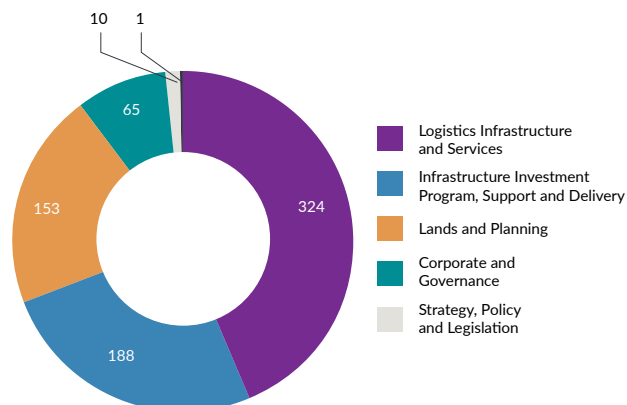
- Logistics Infrastructure and Services
- Infrastructure Investment Program, Support and Delivery
- Lands and Planning
- Corporate and Governance
- Strategy, Policy and Legislation
- Northern Territory Planning Commission.

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

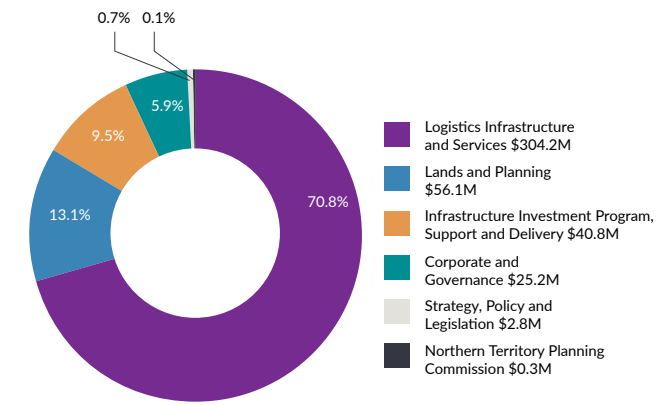
The department is funded mainly through output appropriation from the Northern Territory Government at a total of \$289 million – 85 per cent of total income. Although the main source of funds is through

appropriation, it is important to note that the department also collects revenue on behalf of the Government for taxation revenue, grants and subsidies, regulatory services and royalties and rents totalling \$75.4 million in 2017–18. These funds are directed to the Central Holding Authority. The department also receipts cash through the sale of land, which totalled \$14.8 million in 2017–18 through its land portfolio of \$948.4 million.

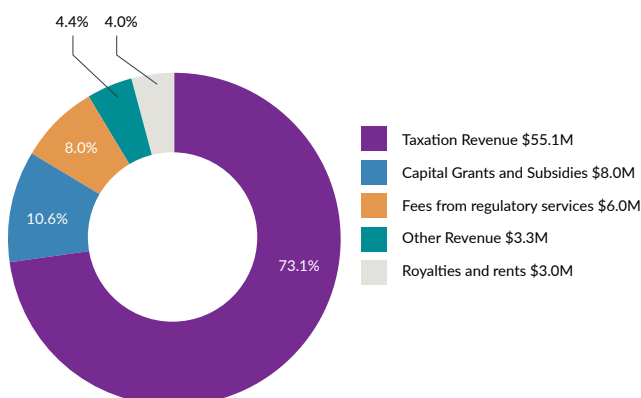
FTE by Output Group



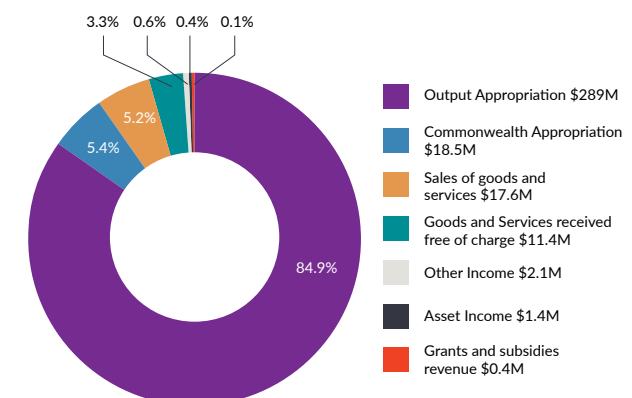
Actual Expenditure by Output Group (\$429.4M)



Revenue collected on behalf of Government – Central Holding Authority (\$75.4 million)



2017–18 Operating Income (\$340.4 million)





OUR PERFORMANCE



PERFORMANCE FINANCE SUMMARY

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

The department had an annual budget of \$425.3 million for the 2017–18 year – an increase of \$56.2 million from the original 2017–18 budget. The increase mainly resulted from disaster maintenance, relating to the department's response to Cyclone Marcus and the non-cash expensing of capital works projects that do not meet capitalisation criteria and are required to be expensed, totalling \$17.6 million. In addition, there was an increase of \$32 million in grants and subsidies related to funding carried over from 2016–17 to 2017–18 for the Regional Economic Infrastructure Fund (REIF) program, undergrounding power lines and for payment to local government councils for revitalisation projects throughout the Territory.

The department reported expenses for the financial year of \$429.4 million, which is

higher than the final approved budget. The increase of \$4.1 million against budget is due to other administrative expenses being \$4.0 million higher and relates to the unbudgeted non-cash provision for doubtful debts and land subject to an agreement which includes land granted to various organisations. Additionally, the purchase of goods and services were \$2.3 million higher than budget due to a new workers' compensation arrangement whereby the department pays a fixed cost and management fee per annum, rather than the previous self-insurance scheme and increased payments for demand driven bus contracts. Additionally, the department made payments on behalf of the previous Home Building Certification Fund Scheme that provided policy holders with cover in the event that building works were non-compliant with the National

Construction Code of Australia including the Building Code and Plumbing Code of Australia. Payments made under this scheme are unbudgeted.

These overspends were offset by grants and subsidies expenses that were \$2.5 million lower than budget, mainly due to the REIF program, where milestones for the program as per the current agreements were not met and as a result payments were not processed with resulting commitments subject to a carry forward request into the 2018–19 financial year.

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



OUTPUT	2017-18 Budget \$000	2017-18 Final Approved Budget \$000	% change	2017-18 Actuals \$000	% change to Final
Infrastructure Investment Program, Support and Delivery	27,071	40,430	49.35%¹	40,767	0.83%
Infrastructure Investment Delivery	19,744	32,868		33,080	
Program Support	4,434	4,669		5,283	
Asset Management	2,893	2,893		2,404	
Lands and Planning	47,549	52,809	11.06%²	56,128	6.28%⁵
Land Development	3,535	4,630		5,661	
Development Assessment Services	3,331	3,401		3,517	
Crown Land Estate	24,047	28,142		30,636	
Aboriginal Land	1,363	1,363		1,091	
Lands Planning	2,949	2,949		2,557	
Building Advisory Services	3,485	3,485		4,471	
Land Information	8,839	8,839		8,195	
Logistics Infrastructure and Services	263,470	301,066	14.27%³	304,197	1.04%
Passenger Transport	57,741	58,724		58,507	
Registration and Licensing	10,902	10,902		13,050	
Road Safety and Compliance	9,956	10,470		8,540	
Transport Planning and Delivery	168,558	205,823		211,096	
Transport Assets	16,313	15,147		13,004	
Strategy, Policy and Legislation	2,802	2,584	-7.78%⁴	2,819	9.09%⁶
Strategy, Policy and Legislation	2,802	2,584		2,819	
Northern Territory Planning Commission	374	374	0.00%	276	-26.20%
Northern Territory Planning Commission	374	374		276	
Corporate and Governance	27,869	28,017	0.53%	25,185	-10.11%⁷
Corporate and Governance	15,291	15,439		13,752	
Shared Services Received	12,578	12,578		11,433	
TOTAL OUTPUT BUDGET	369,135	425,280	15.21%	429,372	0.96%

1. Infrastructure Investment Program, Support and Delivery increased from the original budget to the final approved budget in June 2018. The increase mainly resulted from additional capital grant funding for the city deals project and undergrounding of power in Darwin suburbs and additional funding provided to support the delivery of the economic stimulus program.
2. Lands and Planning increased from the original budget to the final approved budget in June 2018 mainly due to a number of non-cash community land grants.
3. Logistics Infrastructure and Services increased from the original budget to the final approved budget in June 2018. The increase mainly resulted from additional capital grants funding for a number of projects and additional funding provided to the repairs and maintenance program for disaster maintenance.
4. Strategy, Policy and Legislation decreased from the original budget to the final approved budget mainly due to the transfer of the aviation function to the Department of Tourism and Culture.
5. Lands and Planning ended the year with total expenses of \$56.1 million against a final approved budget of \$52.8 million. The variance in actual expenses against budget was due to a larger than projected estimate of non-cash land granted to various organisations.
6. Strategy, Policy and Legislation ended the year with a total expense of \$2.9 million against a final approved budget of \$2.6 million mainly due to unfunded personnel commitments.
7. Corporate and Governance ended the year with a total of \$25.2 million against a final approved budget of \$28 million. The variance in actual expenses against budget is mainly due to shared services received, which is goods and services received free of charge from the Department of Corporate and Information Services and recruitment timing issues for the various employment programs.

EXECUTIVE SERVICES

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

Executive Services has two main functions – secretariat, and communication and engagement.



TEGAN BERG

Director, Executive Services

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

Tegan grew up in Darwin and has lived most of her life in the Northern Territory. Tegan has spent more than 10 years working for the Northern Territory Government and the Victorian State Government.

SECRETARIAT

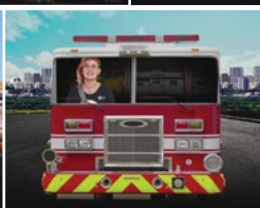
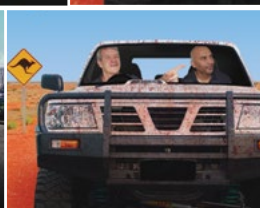
The Secretariat unit plays a pivotal role in the relationship between the Minister's office and the department. The unit maintains records of ministerial correspondence, provides advice on preparing, handling and procedures for ministerial, Cabinet and parliamentary documents and supports the Chief Executive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

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

COMMUNICATION AND ENGAGEMENT

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

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



- regularly monitor media coverage and provide a daily media snapshot for the department
- managing and maintaining the RoadReportNT, 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 departmental policies and initiatives

- media forecasting, proactive media services and management of reactive media for the department
- advise on innovative methods to communicate Government and department initiatives
- provide advice, guidance and mitigation to identify and manage reputational risks
- develop, produce and facilitate the *Growing the Territory* video series
- provide media training and guidance to department staff.

Some of the key projects the Communication and Engagement unit provided services for in this financial year included:

- Palmerston Police Station
- Towards Zero Action Plan
- Barneson Boulevard
- State Square Underground Car Park
- Cavenagh Street Shade Structure
- Planning Reform
- Swimming Pool Safety Reform
- managing activities in Northern Territory Government road reserves.



EXECUTIVE SERVICES

2017–18 ACHIEVEMENTS

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

Achievements

Provided key communication and community relations assistance to implement key Northern Territory Government priority projects including Towards Zero, Planning Reform, Vibrant Future and Barneson Boulevard.

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.

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

Achievements

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

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

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

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

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

Achievements

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

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

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

Achievements

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

Increased awareness of communication and media services across the department through more client face to face meetings and attendance at external client meetings.

Rolled out HP Records Manager Ministerial Record Tracking System across the department due to Machinery of Government changes.

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.



2018–19 PRIORITIES

Communication and Engagement Unit

- Assist in the introduction and review of Northern Territory regulations such as:
 - o consultation about managing activities in Northern Territory Government road reserves; and
 - o implement an equitable ridesharing model and wider commercial passenger vehicle reforms.
- Manage and implement communication strategies on key infrastructure projects, including:
 - o Barneson Boulevard
 - o Keep River Road
 - o Litchfield Park Road
 - o Adelaide River flood plains
 - o State Square Underground Car Park
 - o Palmerston Police Station.
- Manage and implement communication strategies for engagement projects, including:
 - o Planning reform – Review, Reform, Renew
 - o Vibrant Future
 - o Swimming Pool Safety Reform
 - o Towards Zero Action Plan.

Secretariat

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



TRANSPORT AND CIVIL SERVICES

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



LOUISE MCCORMICK
General Manager,
Transport and Civil Services

Transport and Civil Services is led by Louise McCormick. The division was created in 2016 to consolidate all areas of the Northern Territory Government public service relating to the transport system. Louise has brought together the strategic planning and delivery of transport infrastructure across the Northern Territory as well as motor vehicle licensing, road and marine safety and transport services.

Over the 13 years Louise has worked in the Northern Territory, she has been involved in planning and managing some of the Territory's largest and most complex transport infrastructure projects including Tiger Brennan Drive and more recently Barneson Boulevard. She has also been instrumental in securing Australian Government funding including the Northern Territory's share of funding under the Northern Australian Roads and Beef Roads programs to support the Development of Northern Australia.

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

TRANSPORT PLANNING

Transport Planning consists of four business units as follows:

- **Program Development and Transport Assets** – this team develops and manages infrastructure priorities for the National Road Network, Roads and Transport Assets (aerodromes, barge landings and bus stops) and manages Australian Government funding through programs such as the National Partnership Agreement, Land Transport Infrastructure and Remote Access Aviation Program
- **Transport Planning** – manages the transport planning functions for the Northern

Territory Government to cater for economic and population growth while maintaining principles of safety, quality, environmental responsibility and Value for the Territory

- **Corridor Management** – undertakes road agency approvals for third party developments on behalf of the Northern Territory Government and manages land use agreements, including with Land Councils
- **Engineering and Environment Services** – a multi-disciplinary team that provides engineering, environmental professional and statutory based services for the department and across the Northern Territory Government

TRANSPORT SAFETY AND SERVICES

Transport Safety and Services consists of four business units including:

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



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

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

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

CIVIL SERVICES

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

- leads the Northern Territory in traffic engineering and operations, whole of life cycle asset management, bituminous surfacing and road operations and inspections
- provides strategic advice to government and non-government agencies on current and future issues



BOB PEMBLE

**Executive Director,
Civil Services**

Bob leads a team of 75 staff who provide services to construct road transport infrastructure for Territory-wide projects, including project management for Capital Works, Minor New Works and Repairs and Maintenance programs.



SIMON SAUNDERS

**Executive Director,
Transport Safety and Services**

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



BRUCE MICHAEL

**Executive Director,
Transport Planning**

Bruce leads a team of 42 staff who manage planning and funding for a range of transport infrastructure assets ensuring they meet the needs of the community.

TRANSPORT AND CIVIL SERVICES

ensuring a safe and efficient road network for all road users in the Northern Territory

- delivers works programs in partnership with industry to ensure efficient and effective work practices
- delivers whole of life cycle asset management of the road network, including data collection, Road Asset Management systems and coordinating asset valuation of the road network to ensure the transport network meets the needs of the community and supports the economic development of the Northern Territory.

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

Regions

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



TIM BLACKER

A/Regional Director, Tennant Creek

Tim leads a team of 13 staff who project manage and deliver infrastructure and civil road services, and the transport registration and licensing services in the Barkly Region.

FAST FACTS



\$8 BILLION
WORTH OF ASSETS

ROAD REPORT NT

466,335 HITS FOR
THE ROAD REPORT WEBSITE

IN A TYPICAL WEEK

62,700
PEOPLE RIDE A
BIKE IN THE NT



132 
TRUCK PARKING BAYS



57 REST
AREAS

247
BRIDGES



71 AERODOMES



22 000 KM

OF NATIONAL HIGHWAYS,
ARTERIAL AND LOCAL ROADS



14 BARGE
LANDINGS



MAY TAYLOR

Director, Alice Springs Region

May provides southern region oversight for the Transport Services and Safety division, leading a team of 19.



2017-18 ACHIEVEMENTS

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

Achievements

Contributing to the delivery of the Towards Zero Road Safety Action Plan.

Undertook community consultation and/or planning on a number of projects including:

- o Barneson Boulevard including “Greening the CBD” community consultation
- o Coolalinga concept development for a longer term traffic management solution
- o desktop study for construction materials supply and intermodal transport facilities concept and locating in Tennant Creek for the proposed Mt Isa to Tennant Creek Rail Link
- o Northern Territory Barge Landings infrastructure gap analysis and master planning

- o duplication of the Stuart Highway north of Alice Springs concept development
- o review of heavy vehicle access into the Pinelands industrial area
- o Cullen Bay Parking Management Strategy
- o planning study for the future duplication of the Stuart Highway through Heavitree Gap, Alice Springs
- o Better Managing Advertising and Activities in NT Road Reserves.

Full implementation of ASNEX to support strategic and efficient asset management and transport infrastructure.

PRIORITY: Deliver the Territory's Infrastructure Program

Achievements

In 2017-18, a total of \$292 million was spent on the transport program through capital works, minor new works and repairs and maintenance. Of this, \$272 million was for roads and \$20 million related to Transport Assets.

The following projects were successfully delivered in 2017-18:

- o extend the Seal on Tanami Road between 252-257 kilometres
- o Maryvale Road Upgrades
- o Corroboree Billabong Access Road
- o Vanderlin Drive Duplication
- o Cullen Bay Dredging
- o Port Keats Road, Yellow Creek
- o Jungawa Road Sealing 0-3 kilometres
- o Urban Asphalt Stimulus Program
- o Roper Highway Truck Parking Bays
- o Roper Highway, Wilton and Roper Bridges
- o Lajamanu Road Upgrade and Seal Selected Sections
- o Victoria Highway Strengthening and Widening 80-82 kilometres
- o Kurundi Road Upgrades.



TRANSPORT AND CIVIL SERVICES

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

Achievements

Implement free bus travel for senior Territorians.

Transition marine service for commercial vessels to the National Regulator.

Introduction of ridesharing.

Implemented regulations to support ridesharing in the Northern Territory, which supported a level playing field across all point to point transport service providers: taxis, minibuses, private hire cars and rideshare.

Recruit additional Transit Officers bringing the total number of officers to 17.

Conducted trials of the driverless vehicle technology in partnership with Darwin Waterfront Corporation.

Continuing to deliver DriveSafe NT urban and remote programs, providing education and training to novice drivers.

Remote Bus Program supporting passenger services in priority regional and remote areas.

Working with industry to facilitate the operation of high productivity, innovative heavy vehicle combinations.

Supporting major events including Red CentreNATs, the Finke Dessert Race and the 2017 World Solar Car Challenge.

Delivering targeted road safety education, awareness campaigns, activities and initiatives across the Northern Territory.

Continuing to improve and deliver Motor Vehicle Registry services across the Northern Territory using online platforms and Australia Post.

A number of engineering and environmental services achievements, including:

- o major revision of Civil Standard Drawings, which were released in 2017
- o risk assessments for rock slope instability situations occurring during the wet season
- o development of over 150 project Environmental Risk Assessments and the review of almost 250 Contractor Environmental Management Plans
- o publication of Standard Specifications for Roadworks, Road Maintenance and Small Building Works
- o quality control processing of over 2000 tenders, and processing of 20,000 technical drawings
- o developing and updating existing road design standards and associated documents.

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

Achievements

Identified areas of process and system synergy to create administrative efficiencies.

Implemented the Konect System to capture, monitor and rectify road defects.

Stakeholder consultation adopted as an integral element of project planning delivery.

MVR Annual Customer Feedback Survey undertaken with 98 per cent satisfied with service.



TRANSPORT AND CIVIL SERVICES KPIs

Key Performance Indicator	2016-17 Actual	2017-18 Estimate	2017-18 Actual	2018-19 Budget
Logistics Infrastructure and Services				
Students with special needs receiving customised transport solutions ¹	325	325	347	353
Registered commercial passenger vehicles in the Territory	1302	1391	1454	1391
Licensed drivers ²	156 560	157 200	157 423	157 200
Registered motor vehicles ³	195 994	194 800	197 106	194 800
Deliver community and school-based road safety education	310	350	373	350
Vehicles checked as part of on-road auditing activity	19 018	21 000	22 284	21 000
Average MVR customer wait time ⁴	NA	10 minutes	8.05 minutes	10 minutes
Customer satisfaction with Motor Vehicle Registry (MVR)	97.66%	95%	98.65%	95%
Percentage of MVR renewal transactions processed through alternative servicing channels	49%	50%	52%	50%
Average sealed roads rated as smooth (IRI4 is <4.2m/km) ⁴	New 2017-18	97%	NA	96%
Reported defects on roads versus number repaired ⁵	New 2018-19	New 2018-19	NA	60%

1. The increase in 2018-19 reflects additional funding for special needs school bus services.

2. All licence categories including commercial passenger vehicle, provisional and learner.

3. All vehicle types including motorcycles, trailers, trucks and commercial passenger vehicles.

4. New measure.

5. New measure commencing 1 July 2018.



TRANSPORT AND CIVIL SERVICES



2018–19 PRIORITIES

- Arnhem Link Road (Regional Roads Productivity Package).
- Duplication of North Stuart Highway - MVR to Herbert Heritage Drive, Alice Springs.
- Barneson Boulevard and Tiger Brennan Drive Duplication Stage 3.
- Tablelands Highway Upgrades.
- Barkly Stock Route sealing.
- Buntine Highway sealing and selected pavement strengthening and widening.
- Arnhem Highway - Adelaide River Floodplain.
- Outback Way Projects - Plenty Highway 120-140 & 146-151 kilometres and Tjukururu 181-189 & 8-10 kilometres.
- Litchfield Park Road and Lower Finnis River Bridge.
- Little and Big Horse Creek Bridges, Victoria Highway.
- Gunn Point Road.
- Deliver the Northern Territory's Towards Zero Road Safety Strategic Action Plan.
- Improve Traffic Management practices in the Northern Territory.
- Implement the "Guidelines for Advertising and Activities in the Road Reserve".
- Work with stakeholders to improve security on the public bus network.
- Continue to resolve the future management of barge landings.
- Integration of the new ASNEX system into "business as usual" practices to support strategic and efficient asset management and transport infrastructure.
- Increase Aboriginal engagement within workplace and business sector.
- Develop the Tennant Creek Entrance Statement through interpretative areas and information.



- Finalise the future options for car parking at Cullen Bay.
- Finalise the 50 year ferry terminal study.
- Progress studies into the Mt Isa to Tennant Creek railway line.
- Finalise studies into the Stuart Highway duplication through the Heavitree Gap in Alice Springs.
- Deliver DriveSafe NT Remote and Urban programs.
- Deliver targeted road safety education, awareness campaigns, activities and initiatives.
- Finalise priorities for the National Partnership Agreement 2019–20 to 2023–24.
- Host the 40th Australian Transport Research Forum 30 October to 1 November 2018 as part of October Business Month.
- Continue reviewing, improving and updating Road Design Standards and Procedures.
- Continual reviewing and updating the department's Roadworks and Small Building Works Standards Specifications.
- Disseminate updated standards and associated documents Territory-wide to the regions through a range of regional presentations of "Knowledge Sharing".
- Publication of the revised Standard Specifications for Environmental Management.

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

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



BUILDING SERVICES

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

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

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

The Maintenance Planning unit provides asset-related services that support departments to manage property portfolios, ensuring a consistent, systematic and independent

building asset management service across Government.

PROCUREMENT OPERATIONS AND DELIVERY

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

The key functions of the team are to:

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

JOHN HARRISON

A/General Manager

The team are responsible for planning and delivery of the Northern Territory Government's Infrastructure Program. This is achieved through the core functions of planning, design and delivery of infrastructure works, developing a five year pipeline of projects and delivering the annual update to the 10 Year Infrastructure Plan, partnering and collaborating with industry and developing staff through knowledge, experience and provision of a safe workplace.

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

John has a Diploma of Engineering and a Graduate Certificate of Public Service Leadership.

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

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



PROGRAMMING

The Programming unit is responsible for managing, reporting and providing program advice on capital works, minor works and repairs and maintenance 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



FOTIS PAPADAKIS

**A/Executive Director,
Programming, Reform
and Compliance**

Fotis leads a team of 21 staff who are responsible for managing, reporting and providing program expenditure advice on capital works, minor new works and repairs and maintenance for the majority of Northern Territory Government Departments. Contractual advice, ongoing policy review and audit compliance also forms part of the unit's service delivery.

Government departments to track commitment and spend for programs.

CONTRACTOR COMPLIANCE

The Contractor Compliance unit (CCU) undertakes assessments and audits of project specific construction management plans for compliance with the Conditions of Contract. The CCU also provides guidance to principal contractors, project managers and Government for national public works, minor new works and period contract requirements, and contributes to the development of compliance policies for infrastructure related contracts.

The Project Quality, Safety, Local Content, Indigenous Engagement (including the Indigenous Employment Provisional Sum [IEPS] scheme) and Nominated Sub-Contractor requirements of the Conditions of Contract are audited to determine whether appropriate management systems and controls are implemented by the Principal Contractor to fulfil commitments provided in the Tender Response Schedule.

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

Following the end of financial year, Government committed additional resources in the Contractor Compliance unit, to provide a greater level of audit and reconciliation of IEPS

claims and broader compliance with contract conditions.

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

CONTRACT

In 2017-18 the Contract unit focused on activities to facilitate better outcomes for contractors undertaking Government work and included the following areas of focus:

Sub-contractor protections

The Contract unit developed mechanisms to enhance existing protections for sub-contractors and strengthen the local construction industry.

At its heart, this initiative is seeking to minimise the existing risks to sub-contractors by moderating practices that are harmful to business, in particular, small and medium sized Territory enterprises. The unit provides contract advice and leads engagement with external legal service providers.

Surety bonds / Contractor administration

The unit manages the surety bond process for the department, which provides an additional security mechanism for Government contracts. As distinct from bank guarantees, surety bonds mean that the developers'/contractors' assets remain unencumbered. This is significant because freeing up

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

working capital has the potential to increase liquidity, which, in turn, can enhance industry's capacity to tender for additional projects and, thereby, create more jobs and greater wealth.

In the event contractors enter into administration or succumb to liquidation, the Contract unit actively seeks to minimise the consequential impacts upon stakeholders (including contractors and sub-contractors). Early liaison with the Administrator/Liquidator assists in ensuring effective communication among stakeholders. While the Administrator/Liquidator controls the process, generally speaking, the Contract unit maintains a watching brief over such matters in order to establish how it can assist stakeholders within the bounds of contract. Each matter has specific issues and they must be carefully considered on a case by case basis.

INFRASTRUCTURE, DEVELOPMENT AND SUPPORT SERVICES

The Infrastructure, Development and Support Services unit is responsible for consulting with industry, private sector and other key stakeholders to develop the 10 Year Infrastructure Plan and the quarterly publication Construction Snapshot, including the publication and release of the associated data. The unit provides support to the business by developing and implementing technology based tools, such as:

- computer aided design
- project tools

- collaboration tools and data sets to improve delivery of the infrastructure program for the Government
- developing a conceptual model to deliver a pipeline of projects for Aboriginal communities.

PALMERSTON REGIONAL HOSPITAL

The Palmerston Regional Hospital Project team is responsible for designing, constructing and project managing the new hospital and acting as the delivery agency and conduit between the Department of Health, Top End Health Services and the Managing Contractor to ensure a fit for purpose health facility is delivered. This is done in accordance with the project brief and Australasian Health facility Guidelines. The team, assisted by an independent quantity surveyor, is responsible for the financial management of the construction contract, and for validating and approving all procurements and purchases made through the managing contract.

The small and dynamic team has a substantial and varied array of qualifications in project, construction and contract management to ensure this unique and significant project is delivered for the Northern Territory Government.

The team is complemented by interagency professionals from other areas in the Department of Infrastructure, Planning and Logistics, such as engineering, media and accounting.

LAND SERVICING AND ENGINEERING

The Land Servicing and Engineering unit provides comprehensive support to its internal client – Land Development – to deliver a range of Darwin based capital works programs to support the development of land in the Northern Territory.

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



GLEN BRADY

**A/Executive Director,
Building Services**

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



GEORGE HUTCHINSON

Regional Director, East Arnhem

George leads a team of 10 staff who project manage and deliver infrastructure and civil services for the region.



PHIL HARRIS

Senior Director, Northern Region

Phil is based in Katherine and leads a team of 30 staff. This team is responsible for the region's project management and delivery.



DARREN WILLIS

A/Regional Director, Southern Region Infrastructure Delivery

Darren leads a team of 37 staff. This team is responsible for the Alice Springs region project management and delivery.

Typical capital works projects delivered by the team include trunk service infrastructure (headworks), including high voltage reticulation, trunk water and sewer mains, sewer pump stations, spine roads, stormwater drain and flood mitigation works, such as large stormwater detention systems.

HOUSING PROJECTS

The Housing Projects team provides construction services on behalf of the Department of Housing and Community Development to deliver the National Partnership on Remote Housing (NPRH), Government Employee Housing (GEH) and Urban Public Housing (UPH) Programs.

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

REGIONAL – KATHERINE INFRASTRUCTURE AND INVESTMENT SERVICES

The Katherine regional team delivers infrastructure across a large and diverse area from Legune down the Western Australian boarder across to Lajamanu, east to Borroloola, up to Numbulwar, Bulman and west to Pine Creek with a total area of about 430 000 square kilometres.

The team is responsible for project management and delivery of capital works and minor new works programs, housing projects and roads repairs and maintenance across the Katherine Region.

The team of 30 work on projects for both Infrastructure and Investment Services and Transport Civil Services and includes program and project managers, engineers, technically qualified staff and business support administrators.

REGIONAL – ALICE SPRINGS INFRASTRUCTURE AND INVESTMENT SERVICES

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

This work group delivers capital upgrades, minor new works and repairs and maintenance programs for Government infrastructure throughout this jurisdiction. This includes work in major centres, remote communities, Territory roads, transport infrastructure and national highways.

The team of 37 includes program and project managers, engineers, technically qualified staff and business support administrators.

INFRASTRUCTURE, INVESTMENT AND CONTRACTS

REGIONAL – TENNANT CREEK INFRASTRUCTURE AND INVESTMENT SERVICES

The Tennant Creek regional team delivers infrastructure from Borroloola down to Camooweal on the Queensland border, north to Newcastle Waters, south to Barrow Creek and across the Sandover Highway to Alpururulam with a total area of about 240 000 square kilometres.

The group's core function is to administer building, roads repairs and maintenance, minor new works and capital works programs across the Barkly Region.

The team has the technical skills to provide clients with technical assessments, cost estimates, projects that require design consultancy services, contract procurement and contract supervision.

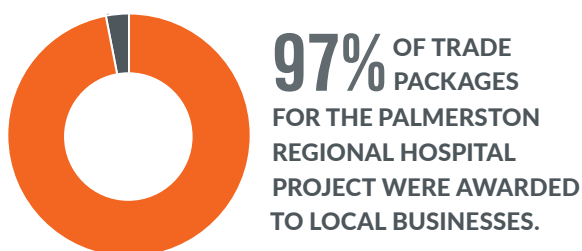
These works are managed and supervised by the Regional Director, three building services staff, four civil works staff and four project and contract administration staff.

FAST FACTS

673 AGENCY ASSETS
MANAGED AND **371** INSPECTED

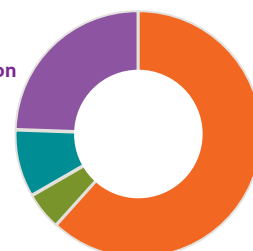


DIPL MANAGED AN INFRASTRUCTURE PROGRAM OF
\$2.19 BILLION WITH A YEAR END
EXPENDITURE OF
\$853 MILLION INCLUSIVE OF
CAPITAL GRANTS



PROGRAM EXPENDITURE:

Repairs and Maintenance \$208 million
Minor New Works \$74.8 million
Capital grants and Infrastructure
related expenses \$43 million
Capital works \$527.2 million



REMOTE COMMUNITY HOUSING

306
NEW HOMES
1298
UPGRADES

GOVERNMENT EMPLOYEE HOUSING

34
NEW HOMES
62
UPGRADES

URBAN PUBLIC HOUSING

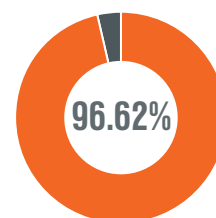
80
NEW HOMES

CYCLONE RECOVERY HOUSING

80
REPLACEMENTS
80
YARD WORK
PACKAGES

HOME BUILD

79



OF THE 1273 CONTRACTS AWARDED
THIS FINANCIAL YEAR BY THE
DEPARTMENT, 1230 (96.62%) WERE
AWARDED TO TERRITORY ENTERPRISES.
LOCAL JOBS REMAIN A PRIORITY,
WITH 99.40% OF AWARDED VALUE
BEING RETAINED IN THE TERRITORY.

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



2017-18 ACHIEVEMENTS

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

Achievements

Undertook the annual review of the 10 Year Infrastructure Plan with the update Plan published in September 2018.

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

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

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

Provided ongoing high level support for future Darwin based land development.

Provided ongoing management of bespoke design delivery for purpose built flood mitigation infrastructure.

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

Developed an Agency Procurement Management Plan for 2018-19.

Continued delivery of a pipeline of work across the Northern Territory to support local jobs and industry.

Improved the capacity of contractors to achieve their commitments to deliver projects to the agreed quality through a structured audit program.

Assisted contractor with their understanding of responsibilities under the Conditions of Contract.

Contributed past experiences and lessons learned from Aboriginal participation on construction projects to inform the development of the new Aboriginal Contracting Framework.

Continued to work with Northern Territory Government departments to develop works program and asset maintenance plans.

Developed a concept for the pipeline of projects for remote Aboriginal communities with a working group to progress this initiative in 2018-19.

Coordinated and supported using the department's new Post Disaster Asset Inspection applications during Daly River flooding and Tropical Cyclone Marcus.

Provided regional input and perspective in the planning phase of proposed developments within the region while monitoring resource capacity of industry to deliver.



INFRASTRUCTURE, INVESTMENT AND CONTRACTS

PRIORITY: Deliver the Territory's infrastructure program and maintain its infrastructure portfolio

Achievements

Delivered an expenditure of \$853 million on the infrastructure program.

Completed \$58.5 million of the majority of the Boosting our Economy packages in schools across the Territory.

Completed the \$170 million Palmerston Regional Hospital Project.

Undertook \$144.5 million worth of works throughout the Housing program in the Northern Territory.

Completed 220 new remote community homes and 1032 remote upgrades for the National Partnership on Remote Housing (NPRH) program. In 2017-18, seven Education and Employment Houses, three HomeBuild houses, 15 Government Employee Housing dwellings and 28 new public urban houses were constructed.

During the 2017-18 financial year Procurement, Operations and Delivery processed 1273 quotations and tenders were awarded across all contract types in Tiers 2, 3, 4 and 5, with a total award value of \$753 568 751. Of these, 972 were construction contracts valued at \$715 768 523. A total of 99.4 per cent of these contracts were awarded to Territory enterprise's (by value).

Fast tracked tenders were put out to market with an average of 24 days to tender award.

Undertook regular audits for work health and safety, quality management, Aboriginal development and local content/industry participation to ensure compliance with legislation, policy and contractual agreements.

Responded to concerns raised by the community in regard to the use of interstate contractors, workers and supplies on construction projects for a broader investigation by the Buy Local Industry Advocate.

Implemented and supported Value for Territory and Buy Local initiatives in procurement processes.

Land Servicing and Engineering successfully delivered and handed over a significant portion of the Flood Mitigation Program and additional headworks infrastructure to support Palmerston Regional Hospital.

Components of the Rapid Creek, Ludmilla, Yarrowonga and Wadham Lagoon Flood Mitigation Works were completed across varying land parcels and road networks, including through the RAAF Base Darwin and the suburbs of The Narrows, Winnellie, Yarrowonga and Howard Springs. Works included new and upgraded trunk drainage infrastructure, several stormwater detention basins and other community improvements to public open space and road user safety. Further components of the Flood Mitigation Program are also well underway within the suburbs of Marrara and Ludmilla.

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

Achievements

Worked with industry to identify opportunity for improvements to infrastructure delivery methods.

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

Introduced alternative products/materials within works scope to encourage innovative construction methodologies.

Facilitated more than 456 tender debriefs to provide feedback to industry on improving future tender submissions and positive outcomes for their business.

Maximised the use of Aboriginal Business Enterprises in remote communities, also ensuring high local business participation in delivering construction and maintenance projects in a co-ordinated and efficient method across all regional communities.

Introduced the Post Tender Feedback Trial to agency clients to expand and adapt the material tested by the Department of Trade, Business and Innovation in June 2018, which provides further detail on the performance of tender submissions compared to the other offers received.

Housing Project teams provided strategic procurement engagement to ensure long term engagement of existing community resources, and to identify and develop Aboriginal business enterprises.

Implemented a new panel of contract auditors to support the delivery of the Government's infrastructure program

Utilised the Treasures Directions, Infrastructure series to provide advice to internal and external stakeholders around program management, including publishing a new client procured works policy.



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

Achievements

Provided ongoing mentoring and development of staff.

Developed strategies for effective succession planning to maintain capacity.

Used additional resources in the Procurement team to ensure stimulus projects were fast tracked.

Procurement Operations and Delivery staff continue to achieve accredited procurement qualifications to ensure accurate and appropriate advice to project staff undertaking procurement, in addition to delivering a suite of internal training workshops to staff on processes, policy and procedure.

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

Engage all regional staff in delivering the entire regional program and provide targeted training to staff aimed at reinforcing skills required for their role. Continued staff development including engagement of graduate engineers.

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

Coordinated the upgrade of 16 design computers for both civil and building teams to increase systems reliability and improve operational efficacies for computer aided design.

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

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

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

INFRASTRUCTURE, INVESTMENT AND CONTRACTS KPIs

Key Performance Indicator	2016-17 Actual	2017-18 Estimate	2017-18 Actual	2018-19 Budget
Infrastructure, Investment and Delivery				
Average days to award tender*	NA	28	24	28
Award construction contracts to local enterprises (value)	95%	95%	99.4%	95%
Building assets inspected**	12%	50%	55%	33%
Work, health and safety audits*	NA	71%	78%	68%
Indigenous Development Plan audits*	NA	94%	78%	91%

*New measure in 2017-18.

**The reduction in 2018-19 reflects a return to long-term average levels following a period of increased inspections while ASNEX inspection tools were developed.

INFRASTRUCTURE, INVESTMENT AND CONTRACTS



PALMERSTON REGIONAL HOSPITAL

2018–19 PRIORITIES

- Manage and deliver Government's extensive infrastructure program, from capital works to minor new works and repairs maintenance.
- Construct new \$70 million fit for purpose youth justice training centres in Darwin and Alice Springs. Early planning work is underway in consultation with Territory Families and relevant stakeholders to inform project design and construction programming.
- Progress the Darwin City Deals projects with \$46.2 million provided in Budget 2018, from an overall commitment of \$100 million, for projects including:
 - State Square Underground Car park – This enabling

project will see all existing surface grade carparks relocated to further develop and revitalise the State Square precinct. The underground carpark will accommodate up to 450 vehicles and have a dual role as a cyclone shelter. A contract to design and construct the new State Square Car park was awarded to a local company in May 2018, with works beginning mid-2018.

- Cavenagh Street Shade Structure – This project will see a sculptural interpretation of a large scale pergola utilising Darwin Stringybark timber supplied by Gumatj Corporation. Two species of vines will be planted to grow over the structure to

create shade and provide cooling to the street. A contract to construct the structure was awarded to a local company in May 2018, with works to be complete in late 2018.

- State Square landscape redevelopment – This project will redevelop the State Square precinct and improve connections to the Waterfront area, as well as activate the CBD by constructing landscaping, shading, interactive cooling features, public art and flexible community spaces.
- CBD Art Gallery – Work is underway to assess site options to develop a new art gallery within the State Square precinct as part of redeveloping the area and Government's commitment



to revitalise the Darwin CBD through a number of Darwin City Deals projects. A key aspect of the Territory's City Deal is revitalising the CBD with a longer term aim of growing and sustaining our local population. Feedback from consultation through the City Deal process has indicated public support for more cultural facilities.

- o Laneways – The Austin Lane Streetscape Enhancement Strategy aims to create a series of connected laneway places that work together to Enhance Smith Street Mall, Raintree Park and Cavenagh Street by creating inviting and engaging experiences for visitors and locals moving through Austin Lane to these destinations.
- o Smith Street – Greening to Smith Street works will focus on:
 - improving the streetscape to promote walkability, social interaction, and visitor attraction
 - identifying opportunities to enhance the urban landscape
 - creating a safe and comfortable environment.
- Complete construction of the new \$30 million Palmerston Police Station, including a Watch House and a Community Centre. The new facility will provide a platform to deliver contemporary

policing within the Palmerston and rural areas for the next 50 years. A contract to build the new Palmerston Police Station and Watch House was awarded to a local company in April 2018. Construction has started and is due to be complete in mid-2019.

- Complete a \$12 million multi-story free carpark at Royal Darwin Hospital (RDH). A contract to design and construct the multi-storey car park facility was awarded to a local company in June 2017, and it is anticipated to be complete in November 2018.
- Complete construction of the new indoor netball facility in Darwin, co-funded by the Northern Territory and Australian Governments. A contract was awarded to a local firm in September 2017, and the project is on track for completion in November 2018.
- Complete the new \$25 million home of Rugby League at Warren Park. The facility will include three full-sized fields, with one to national standard, a grandstand with 1200 seating capacity, change rooms, corporate facilities, food and beverage facilities, car parking and the flexibility to host other sporting events requiring a rectangular field, such as rugby union and soccer. A contract to design and construct the facility was awarded to a local company in January 2018 with building works now underway.
- Deliver the \$18 million redevelopment and expansion

of Darwin High School, which will provide 16 new general learning areas, staff facilities, lecture theatre and performing arts space. Construction will begin mid-2018 and is scheduled to be completed in July 2019.

- Deliver a new \$12 million Performing Arts and Multi-purpose Hall at Darwin Middle School with a tender to be released in August 2018.
- The department continues to work with the Department of Trade Business and Innovation on the development of a new Aboriginal Contracting Framework.
- Continue to work on a delivery model for the pipeline of projects for remote Aboriginal communities and begin a pilot project in the new year.
- Enhance the disaster response application to improve data capture and management in an emergency management event.
- Integration of the new ASNEX system into “business as usual” practices to support strategic and efficient asset management and infrastructure delivery.
- Expand and improve the range of asset related services provided to clients through the Maintenance Planning unit, using a combination of internal and outsourced resources.
- Increase Indigenous engagement within workplace and business sector.

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.



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. The division provides development and regulatory control. The division also plays a central role in managing the Northern Territory's Crown Land Estate and develops and maintains geospatial information to support long term planning and land release. Supporting statutory boards and committees is also a key aspect of the division's work.

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

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

The division captures, manages and provides access to geospatial data and land-related information for the Northern Territory and 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 Territory through offices in Darwin, Katherine and Alice Springs. The two regional offices service a combined area of about 1.2 million square kilometres, including the towns of Ti Tree, Tennant Creek, Elliott, Borroloola, Daly Waters, Larrimah, Mataranka, Timber Creek, Pine Creek and Kalkarindji.

PLANNING

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

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

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

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

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



CROWN LAND ESTATE

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

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 delivering community infrastructure.

The unit acquires land to deliver strategic infrastructure, such as roads and service corridors, and to support Government initiatives.

It administers about 700 Crown leases and special purposes leases including 145 through the Alice Springs Southern Region office and 100 through the Katherine Northern Region office.

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

ABORIGINAL LAND

The Aboriginal Land unit works in consultation with the Department of the Attorney-General and Justice and other Northern Territory Government departments, to progress and

resolve Aboriginal land claims, native title claims, Community Living Area applications and other Aboriginal land matters relating to the Crown Land Estate.

The unit is responsible for:

- researching and preparing reports on land claims lodged pursuant to the *Aboriginal Land Rights (NT) Act*
- researching and coordinating information on native title matters, including providing reports for native title proceedings in the Federal Court
- negotiating settlement of land claims and resolving government and private detriment
- negotiating and implementing native title settlements



DOUG LESH

Senior Director, Planning

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



SHARON JONES

Director, Crown Land Estate

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



RAY SMITH

Director, Aboriginal Land

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

LANDS AND PLANNING

- processing applications for Aboriginal Community Living Areas pursuant to Part 8 of the *Pastoral Land Act*
- developing, populating and maintaining a tenure history database for use in native title proceedings.

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



GRAEME FINCH

Senior Director, Land Development

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

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

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

LAND DEVELOPMENT

The Land Development unit plans for and delivers the infrastructure required to support the development of land across the Northern Territory. This includes major headworks infrastructure to support the development of land in the Greater Darwin region and subdivision of Crown land within regional towns.

The Land Development unit supports the Northern Territory Planning Commission's development of land use and area plans by integrating infrastructure with land use planning. The unit supports the administration of land development leases with technical support and administers a number of road and stormwater assets.

The unit is implementing the recommendations of the Darwin, Katherine and Alice Springs Flood Mitigation Advisory Committees to mitigate the impact of flooding across the Territory. The unit is also responsible for developing policy, including the Subdivision Development Guidelines.

BUILDING ADVISORY SERVICES

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



FABIO FINOCCHIARO

Executive Director, Land Services

Fabio has extensive experience in the Lands and Planning area having worked in management and leadership roles since 1990 in the areas of Statutory Planning, Building Control and Land Information. Fabio has developed extensive experience in management, strategic roles and has led major legislative reforms including the introduction of builders' registration in the Northern Territory.

following services to members of the public and industry, and other Northern Territory Government departments:

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

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 INFORMATION GROUP

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

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

The Land Information Group systems provide base-level and enhanced land information to underpin the Northern Territory's economic development.

The Land Information Group incorporates the following four functional areas:

- Geospatial Services – provides specialised digital data services and mapping, including an annual whole-of-government aerial photography and mapping program, and advanced 3D visualisation of current, planned and conceptual city models
- NT Land Information Systems (NTLIS) – provides a consolidated shared service for geospatial data infrastructure, enterprise licensing across Government for geospatial products and services, and manages contracts
- Survey Branch – provides survey advice, maintains and develops cadastral, geodetic and positioning infrastructure, administers the *Licensed Surveyors Act* (except provisions relating to regulation and licensing of occupations) and *Place Names Act*, 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*.

The Land Information Group employs a range of administrative, professional and technical staff.



CLAIRE BROWN

Regional Director, Northern Region

Claire is based in Katherine and leads and coordinates the delivery of Lands and Planning functions from the Katherine Northern Region Office. Claire is a Katherine region local, with over 18 years experience in the fields of primary production, land management and land development and planning.



STEPHEN BROOKS

Regional Director, Southern Region

Steve is responsible for coordinating activities of the department in the Southern Region including Tennant Creek and Alice Springs, leading a team of 16 staff.

LANDS AND PLANNING

FAST FACTS

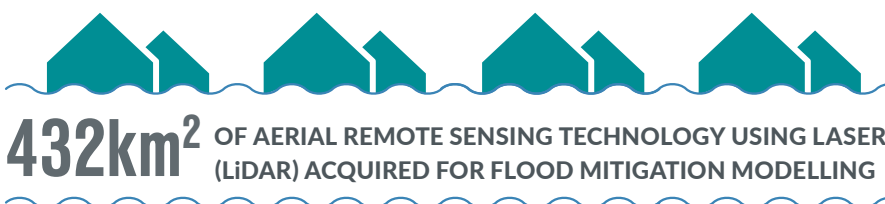
PHOTOGRAPHED AND MAPPED
6 TOWNS **46** REMOTE COMMUNITIES



729
PLANNING APPLICATIONS
PROCESSED IN 2017-18



432km² OF AERIAL REMOTE SENSING TECHNOLOGY USING LASER (LiDAR) ACQUIRED FOR FLOOD MITIGATION MODELLING



350+ NEW RESIDENTIAL LOTS
TITLED IN 2017-18 AFTER
CROWN LAND RELEASE

10 790 BUILDING APPROVALS
LODGED IN 2017-18



2017-18 ACHIEVEMENTS

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

Achievements

Completed the Northern Territory Planning Commission's Area Plan for Howard Springs, including public consultation.

Began public consultation on the NT Planning Commission's land use and area plans for Coolalinga/Freds Pass and Humpty Doo Rural Activity Centres, Central Alice Springs and Central Darwin, and the township of Tennant Creek.

Through community consultation, established a detailed program for implementing planning reform over coming years.

Completed community engagement on 'Planning for a Vibrant Future'.

Completed two Interim Development Controls Orders that contribute to improving the vibrancy of the Darwin CBD.

Supported the NT Planning Commission's development of land use and area plans across the Territory with integrated infrastructure planning.

Undertook planning, infrastructure design and subdivision planning for land development in some regional towns across the Territory.

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



PRIORITY: Deliver the Territory's infrastructure program and maintain its infrastructure portfolio

Achievements

Upgraded communication modems and completed general servicing at 11 Global Navigation Satellite System sites to maintain the Territory's geodetic and cadastral infrastructure framework.

Supported Major Projects to progress the Darwin Luxury Hotel and Project Sea Dragon projects.

Progressed negotiations towards Indigenous Land Use Agreements for residential development in two regional centres – Kalkarindji and Ti Tree.

Delivered headworks infrastructure to support land development in Zuccoli and the Palmerston Regional Hospital.

Completed subdivision works on vacant Crown land on Cyprus Street in Katherine to create three residential lots for future land release.

Continued to implement the approved recommendations of the Darwin, Katherine and Alice Springs Flood Mitigation Advisory Committees including hydraulic modelling, design, delivery of flood mitigation infrastructure and procurement of woody weed control works within the Katherine River corridor.

Constructed detention basins and new trunk drains to mitigate flooding in the Darwin region.

PRIORITY: Deliver innovative, well-regulated and sustainable services

Achievements

Participated in the national Building Codes Committee and Plumbing Codes Committee meetings and Australian Building Codes Board meetings.

Began and continued a review of composite panels used in building construction and participated in national forums and meetings focused on addressing associated issues.

Progressed the review of the *Swimming Pool Safety Act* and Regulations including consultation with the community on key areas to consider for reform.

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

Developed a Mandatory Plumbing Notifications Online portal to allow plumbers to book appointments online and replace the business hours only phone booking system.

Released Place Names Online to allow the community and industry to lodge proposals for naming and commemoration online.

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

Developed enhancements to Survey Approvals Online to process additional survey approval application types and allow non-surveyor users to lodge survey related requests online.

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

Finalised data model and interface for datum modernisation and started scoping to integrate the NT Geodetic Survey System with Survey Approvals Online.

Provided Government-wide aerial imagery and topographic information to map products and data services including LiDAR data to facilitate flood mitigation modelling for Alice Springs.



LANDS AND PLANNING

PRIORITY: Deliver innovative, well-regulated and sustainable services (cont.)

Achievements

Supported the Cyclone Marcus recovery by providing spatial mapping capability.

Released Valuations Online to allow landowners to self-manage delivery preferences for Notices of Valuation including opting for electronic delivery.

Completed the Unimproved Capital Value programs for the Darwin and Palmerston municipal areas, Darwin Waterfront Precinct and *Darwin Rates Act Area*.

Began a review of the current Northern Territory statutory valuation service delivery model and framework.

Made six offers for the direct sale of Crown land and progressed 30 further applications to support economic growth.

Made seven offers to grant leases for community infrastructure and progressed eight further applications to support community needs.

Processed 455 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 land needs.

Released three industrial lots on Chardon Street, Katherine.

Progressed eight Aboriginal Land Claims.

Progressed a detriment review of six groups of heard Aboriginal Land Claims covering 16 claims.

Progressed six Aboriginal Community Living Area applications over pastoral leases.

Completed tenure history reports for two consent determinations of native title over pastoral leases.

Managed implementation of three Indigenous Land Use Agreements (ILUA).

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

Achievements

Developed enhancements to Survey Approvals Online to streamline internal management of survey auditing and investigations.

Developed enhancements to Place Names Online to streamline processing of place name and commemoration proposals and improve transparency.

Developed an Integrated Land Information System Audits and Investigation module to streamline internal work flows, achieve efficiencies and improve information management.

Continued developing a database to help prepare tenure history reports to provide a single, easily accessed record of the Territory's tenure history.

Continued to improve community consultation and stakeholder engagement practices to ensure that receiving feedback is an integral component of Lands Planning.

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



LANDS AND PLANNING KPIs

Key Performance Indicator	2016-17 Actual	2017-18 Estimate	2017-18 Actual	2018-19 Budget
Applications processed under the <i>Planning Act</i> (excludes planning scheme amendments) Includes development applications, variations, extensions etc	728	780	729	800
Average processing time for development applications (no. of days)	55	55	54	55
Crown land parcels across the Territory managed for public safety and to meet statutory requirements	3 624	3 624	3 624	3 624
Crown leases managed to ensure compliance with conditions	704	700	695	700
Proportion of projects progressed under the land development program to support economic development and community needs*	NA	NA	NA	90%
New planning scheme amendments received	20	17	23	20
Major land use and urban planning projects undertaken to cater for future growth	10	10	10	10
Building practitioners audited (refers to practitioners registered under the <i>Building Act</i>)	43	50	51	50
Investigated complaints finalised (completed investigations includes those dismissed, completed or referred to the Building Practitioners Board or the courts)	67	75	88	100
Swimming pool safety barrier inspections undertaken	1 100	900	993	900
Swimming pool safety barrier inspections undertaken within three weeks	100%	90%	100%	90%
Availability of access to the NT Land Information Systems (NTLIS) environment meets defined standard	100%	99%	100%	99%
Survey plans approved in six working days	91%	90%	93%	90%
Aerial photography and mapping projects acquired in accordance with the established refresh cycle	97.5%	95%	96%	95%
Native title, land claim and Aboriginal land issues progressed or resolved	25	23	25	23

*New measure in 2018-19



LANDS AND PLANNING

2018–19 PRIORITIES

Planning

- Support the Northern Territory Planning Commission to complete the following projects:
Develop Land Use Plans for:
 - Coolalinga Rural Activity Centre
 - Humpty Doo Rural Activity Centre
 - Central Darwin
 - Central Alice Springs
 - Tennant Creek
 - Gunn Point
 - Katherine East
 - Darwin's Northern Suburbs.
- Review the building design requirements contained within the NT Planning Scheme for mixed use and higher density residential developments.
- Continue to expand and enhance the capabilities of the eDA online system, including a review of the newly released planning scheme amendment, concurrent and exceptional development permit applications module.
- Provide professional advice to the Development Consent Authority, the Northern Territory Planning Commission and the Minister for Infrastructure, Planning and Logistics on development, exceptional development permit, planning scheme amendment and concurrent applications.

- Timely processing of planning and development approvals.

Crown Land Estate

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

Aboriginal Land

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

Land Development

- Continue development planning for the Katherine Agribusiness and Logistics Hub, Katherine East Neighbourhood Centre and Holtze.
- Continue preliminary investigations and discussions to support the future of Weddell and Cox Peninsula.
- Continue undertaking the necessary work to implement the recommendations of the Darwin, Katherine and Alice Springs Flood Mitigation Advisory Committees including hydraulic modelling, design and delivery of flood mitigation infrastructure.
- Finalise the Subdivision Development Guidelines.



Building Advisory Services

- Continue to progress the Swimming Pool Safety Reform to improve the effectiveness and operations of the *Swimming Pool Safety Act* and Regulations.
- Continue to increase access to building files online through a progressive file digitisation program, including in the Katherine and Alice Springs offices.
- Ensure legislation and policy is contemporary and adequate to appropriately regulate and support industry needs and community expectation.
- Participate in national building forums and finalise the internal review of composite panels used in building construction.

Land Information Group

- Maintain and further develop data infrastructure to ensure accurate and up to date access to land information for Government, industry and the public.
- Finalise formal assessment of potential solutions and identify a preferred 3D visualisation tool for the Northern Territory Government.
- Support 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 Group data sets.

- Provide government-wide aerial imagery and topographic information, map products and data services.
- Complete the Unimproved Capital Value programs for nine regional council areas (including Tennant Creek), the municipal areas of Alice Springs and Litchfield and pastoral leases issued under the *Pastoral Land Act*.
- Continue reviewing the current Northern Territory statutory valuation service delivery model and framework.

STRATEGY, POLICY AND LEGISLATION

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



NICK PAPANDONAKIS

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

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

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

Nick has qualifications in business and law.

The division participates in, and represents, the Northern Territory's position on national reforms to ensure remote Australia's issues are considered and incorporated into the Council of Australian Governments' reforms.

STRATEGIC POLICY

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

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

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

In addition, the unit is responsible for:

- developing and implementing road safety policy
- conducting assessments and analysis

- developing policy and programs for active transport (walking, cycling and public transport)
- contributing to Government-wide policy development.

LEGISLATION AND REFORM

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

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

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

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



2017–18 ACHIEVEMENTS

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

Achievements

- Finalised the Northern Territory Towards Zero Road Safety Action Plan.
- Began developing a Territory-wide Logistics Master Plan, including publishing a discussion paper.
- Led the implementation of the National Remote and Regional Transport Strategy, including finalising key actions for a review of remote aerodromes and a framework for community transport.
- Finalised a review of the taxi operating costs model.
- Coordinated a number of Government-wide submissions to national inquiries.
- Continued to support policies and programs to encourage cycling and walking across the Territory.
- Facilitated a meeting of the Transport and Infrastructure Council held in Darwin on 18 May 2018.

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

Achievements

- Developed the regulatory framework to legalise ridesharing in the Territory.
- Reviewed and implemented revised heavy vehicle registration charges.
- Continued to support the Trial Centre-run Air Service for Katherine and Tennant Creek, including facilitating a 12 month extension of the trial to October 2018.

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

Achievements

- Enhanced the department's corporate governance by implementing a new policy for, and register of, legal advice relating to infrastructure, planning and logistics matters.
- Directed the department's legislative reform program to ensure legislation is relevant, contemporary and streamlined to reduce regulatory burden both internal and external to the department.

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



STRATEGY, POLICY AND LEGISLATION



2018–19 PRIORITIES

- Implement the Northern Territory Towards Zero Road Safety Action Plan.
- Finalise the Territory-wide Logistics Master Plan.
- Amend traffic regulations to allow for the effective management of activities in the road reserve.
- Review the outcomes of the Trial Centre-run Air Service for Katherine and Tennant Creek and implement arrangements for the ongoing provision of the service.
- Lead the assessment of the National Remote and Regional Transport Strategy, including developing new actions for consideration.
- Develop further actions to support the ongoing implementation of the National Remote and Regional Transport Strategy.
- Progress Active Transport Policy Development.
- Develop an Electric Vehicles Options Paper to inform the implementation of supporting infrastructure, policies and programs for electric vehicles in the Territory.
- Coordinate department contributions to Northern Territory Government policy development.
- Finalise the Northern Territory Fatigue Management Guide.
- Undertake priority transport legislation amendments in three branches to support a safe, efficient and sustainable transport system that meets community and industry needs.
- Undertake a review of the *Ports Management Act*.
- Represent the Northern Territory's interests in the national transport reform agenda.
- Coordinate government responses to national inquiries and wider Northern Territory Government reforms.
- Develop a road safety repeat offender regime for Government's consideration.
- Finalise the review of the Livestock Loading Scheme.
- Participate in the national reform of driver laws and a safety assurance system for the safe deployment of automated vehicles.



CHURCHILL FELLOWSHIP

Jo Cruickshank

Jo Cruickshank is a Senior Policy Officer with the department's Strategy, Policy and Legislation team. Jo is one of 109 passionate and motivated Australians and seven Territorians who will travel the world in 2018 in search of new ideas, innovation and excellence after receiving a prestigious Churchill Fellowship.

The Winston Churchill Memorial Trust and the Churchill Fellowships were established after Sir Winston Churchill's death in 1965. The concept, endorsed by Churchill before he died, was for Fellowships bearing his name providing a unique opportunity for ordinary people to travel, learn, and bring knowledge back to their country.

In her role with the department, Jo works on policy and planning issues relating to cycling and walking and she is passionate about encouraging Territorians to consider more active ways to travel. Jo's Fellowship project will focus on cycling policies and programs in smaller cities and regional centres and she will investigate international best practice by travelling to France, the Netherlands, Denmark, Sweden, Norway and the UK, with the ultimate aim of bringing back knowledge for the benefit of Australians. During her travels, Jo will meet with government and non-government transport professionals and community groups and learn from world leaders in developing sustainable and active transport solutions. The department is supporting Jo with appropriate leave arrangements to allow her to take up this unique professional development opportunity.

Jo was presented with her Fellowship by Her Honour the Honourable Vicki O'Halloran AM, Administrator of the Northern Territory at a ceremony at Government House in February 2018.





CORPORATE SERVICES

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



SARAH TEMPLE

**Executive Director,
Corporate Services**

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

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

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

FINANCE AND OFFICE SERVICES

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

HUMAN RESOURCES AND WORK HEALTH AND SAFETY

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

INFORMATION TECHNOLOGY, FREEDOM OF INFORMATION AND RECORDS

Information and Business Systems (IBS) drives technology capability across the department, providing

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

GOVERNANCE

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

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

- provides assurance to the Chief Executive and the Executive Leadership Team that the department's financial and operational controls, which are designed to manage its risks and achieve its objectives,



are operating in an efficient, effective and ethical manner

- helps management to improve the department's business performance.

RISK MANAGEMENT

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

SENIOR LEADERS FORUMS

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

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

In 2017–18, Senior Leaders Forums were held in October 2017 and May 2018, with more than 50 employees attending each event. Guest speakers included Minister for Infrastructure, Planning and Logistics Nicole Manison, representatives from the Property Council of Australia, Urban Development Institute of Australia, Housing Institute of Australia, Department of Treasury and Finance, and the

Office of the Commissioner for Public Employment.

Presentations and discussion topics covered in the forums included:

- industry panel on planning and development in the Territory
- Northern Territory economy, Goods and Services Tax and Budget
- strategic planning
- creating efficiencies in the workplace
- infrastructure program
- planning reforms.

Attendees received updates and were able to provide input on a number of department projects and issues such as City Deals, infrastructure on Aboriginal land, logistics strategy and employee performance.

FOSTERING INNOVATION

In September 2017, the department reviewed the structure of the Information and Business Systems unit and created an Internal Development Team (IDT) with a dedicated group of four staff to focus on information technology (IT) project delivery, business improvement solutions and innovation.

The IDT undertook or supported the following key projects in 2017–18:

- online application process for ridesharing drivers and Point to Point Levy system for ridesharing operators

- roll out of iPads for Transit Safety Officers to improve reporting
- Berrimah weighbridge application to allow drivers to capture their vehicle's weight without leaving their vehicle
- developed a road safety campaign site for the Towards Zero initiative
- various online workflows to replace paper-based form, including online Gifts and Benefits Form and improved reporting on IT assets.

STRATEGIC PLANNING

During the year the department implemented its Strategic Plan for 2017 that brought together priorities set by the Northern Territory Government and the department.

A longer term Strategic Plan for 2018 – 2021 has been developed and was released in July 2017. This plan further refines the department's priorities for the next three years.

Each priority has actions that are linked to the Government's strategic themes of: Investing in the bush; Putting children at the heart of Government; Trust; Jobs and economy; Safer and vibrant communities; and Greening and vibrant cities.



CORPORATE SERVICES

2017–18 ACHIEVEMENTS

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

Achievements

Coordinated development of the 2018–2021 Strategic Plan.

Coordinated two Senior Leaders Forums attended by more than 50 senior executives in the department.

PRIORITY: Deliver the Territory's Infrastructure program and maintain its infrastructure portfolio

Achievements

Engaged probity advisers on four projects to ensure that tenders conform to procurement regulations and processes are in place that achieve value for money.

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

Achievements

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

Introduced updated electronic forms on the department's intranet.

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

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

Achievements

Coordinated and provided Secretariat support for:

- o Executive Leadership Team, 11 meetings
- o Audit and Risk Management Committee, four meetings
- o DIPL Technology and Information Committee, six meetings
- o Work Health and Safety Worksite Committee, 24 meetings
- o Consultative Committee, two meetings.

Coordinated a review of departmental key performance indicators.

Developed enhanced reporting of IT assets and billing as part of managing ICT expenditure.

Developed frameworks for:

- o Performance Planning and Reporting
- o Risk Management.

Coordinated training delivery, including Recruitment and Selection, Cross Cultural Awareness (Community Engagement), Verbal Judo, Appropriate Workplace Behaviours, Work Health & Safety for Managers, Punctuation Unpacked, How to Write Plain English, Ministerial Writing, HBDI Foundations and Thinking about Teams, Combat Bullying – Call It Like It Is, Government Procurement and Contracting and Project Management.

The department continued to support 14 trainees participating in the Employment Program career development pathway.

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



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

Achievements

Refined the Work Health and Safety Policy (WHS) Framework for the department, including the suite of WHS documents to support the various departmental WHS Worksite Committees e.g. Terms of Reference, Consultation Policy and Procedure.

Coordinated the annual departmental influenza vaccination program across the Territory, with more than 330 employees receiving a free influenza vaccination.

Refined the HR reporting framework with informative dashboard reports.

Coordinated video conferencing solution installations to the Goyder and Alice Springs MVRs, and Highway House.

Improved network access across a number of sites.

Ongoing management of the department's vehicle fleet to ensure efficient and cost effective use.

Successfully managed the department's accommodation program, which consolidated office accommodation and reduced the department's lease footprint from three to two buildings. Key achievements of this program include:

- o managing the major fit out of level 1 Energy House to provide capacity for up to 125 staff
- o relocate 70 Land Services staff from Arnhemica House and 40 Planning and Development staff from level 2 to level 1 Energy House
- o vacate and hand over of Arnhemica House.

Managed the relocation of staff, information technology (IT) services, office furniture and other property related requirements as part of reconfiguring levels two to five of Highway House.



CORPORATE SERVICES



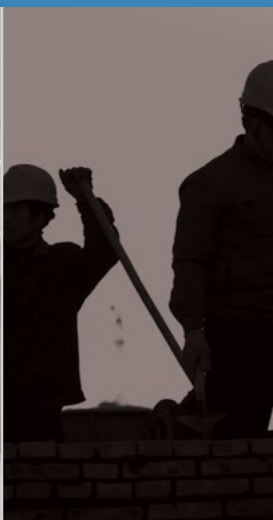
2018–19 PRIORITIES

- Develop strategies to support Departmental Strategic Plan 2018-21, consisting of:
 - Strategic People and Safety Plan
 - Strategic Business Risk Assessment
 - Strategic Budget Management Plan
 - Strategic ICT Priorities.
- Rollout the Performance and Development Framework across the department.
- Introduce updated electronic forms on the intranet.
- Continue to implement updated delegations across the department.
- Recruit WHS Consultant role as part of providing advice and support to Work Health and Safety (WHS) Worksite Committees, managers and employees on WHS matters.
- Continuously improve WHS policies and procedures and train Health and Safety Representative and officers as required.
- Implement the 2019 Employment Program to suit the department's workforce planning requirements.
- Implement the Transit Safety Officer Training Program.
- Coordinate the delivery of Fraud and Corruption Training.
- Promote the use of video conferencing and collaboration tools.
- Continue to identify cost efficiencies in the department's ICT environment.

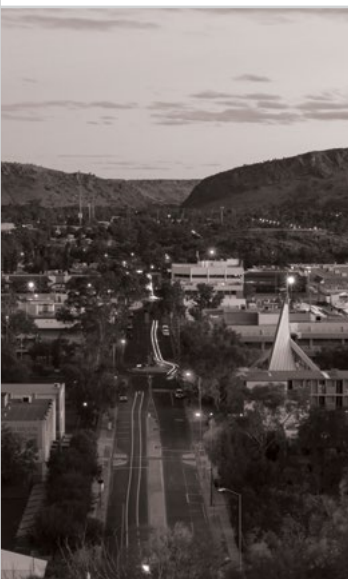


- Continue to identify opportunities for technology to streamline business processes.
- Coordinate upgrading the department's end user computing operating environment to the contemporary version.
- Coordinate the transition of department on-premises ICT systems into the new Government data centre to facilitate re-purposing the Chan building.
- Continue to modernise MVR systems to meet new and emerging requirements and streamline customer interactions.
- Implement new departmental Probity Policy and Guidelines.
- Complete the development and implementation of the Risk Management Framework.
- Continue to develop the on-line Risk Register.
- Finalise review of Records Management Functions and Services.
- Help roll out the NT Fleet's online CARS system to ensure a more streamlined replacement program for the department's vehicle fleet.
- Review and renew current accommodation leases in line with department's strategic direction.
- Continue to be involved in the management of WHS issues regarding office accommodation and remote travel, including the roll out of GPS Navman units.





CORPORATE GOVERNANCE



GOVERNANCE FRAMEWORK

Good corporate governance refers to the systems that control an organisation, how it operates and the mechanisms by which it and its people are held to account.

The Department of Infrastructure, Planning and Logistic's governance framework has been developed to guide the actions of individuals by providing clarity and direction about appropriate behaviour and decision making. Governance is underpinned by our accountability, planning, performance and compliance activities.





ACCOUNTABILITY AND STANDARDS

As a public sector organisation, the department's Chief Executive is required to meet operating and reporting requirements specified in the *Public Sector Employment and Management Act*, *Financial Management Act* and *Information Act*.

The Chief Executive is supported by the Executive Management Board and Executive Leadership Team to provide leadership and direction to the department. This section of the annual report describes the governance structures that operated during the year, along with a description of their achievements and forthcoming priorities.

EXECUTIVE BOARDS AND COMMITTEE

Executive Management Board

The Executive Management Board (EMB) supports the Chief Executive to deliver government priorities by providing leadership, strategic direction and guidance to ensure the department is responsive to changing community and business needs.

The EMB meets on a weekly basis.

Membership as at 30 June 2018

Members	Position
Andrew Kirkman (Chair)	Chief Executive
Leah Clifford	Deputy Chief Executive
John Harrison	A/General Manager Infrastructure, Investment and Contracts
Louise McCormick	General Manager Transport and Civil Services
Sarah Temple	Executive Director Corporate Services
Nick Papandonakis	Executive Director Strategy, Policy and Legislation
Tegan Berg	Director Executive Services

2017–18 Achievements included:

- ongoing Budget review and management
- developing the 2018–21 Strategic Plan
- reviewing departmental performance reporting
- identification of risk areas and issues and discussion of agency options and responses
- cross agency collaboration on current and emerging priorities, projects and tasks.



ACCOUNTABILITY AND STANDARDS

EXECUTIVE LEADERSHIP TEAM

The role of the Executive Leadership Team (ELT) is to assist the Chief Executive to oversee and manage strategic, compliance, regulatory and governance matters of the department. The ELT has a performance monitoring and advisory role that encompasses considering, discussing and approving strategies, initiatives and issues that impact on divisions or the department as a whole. Under the Work Health and Safety (WHS) Framework, the ELT act as the WHS Steering Committee and monitor activity and issues arising from WHS Worksite Committees (refer to the Our People, Creating a Safe and Supportive Work Environment for further information).

The ELT meets on a monthly basis.

Membership as at 30 June 2018

Members	Position
Andrew Kirkman (Chair)	Chief Executive
Leah Clifford	Deputy Chief Executive
John Harrison	A/General Manager Infrastructure, Investment and Contracts
Louise McCormick	A/General Manager Transport and Civil Services
Sarah Temple	Executive Director Corporate Services
Nick Papandonakis	Executive Director Strategy, Policy and Legislation
Tegan Berg	Director Executive Services
Bruce Michael	Executive Director Transport Planning
Fabio Finocchiaro	Executive Director Land Services
Robert Pemble	Executive Director Civil Services
Simon Saunders	Executive Director Transport Services
Glen Brady	A/Executive Director Building Services
Fotis Papadakis	A/Executive Director Programming, Reform and Compliance
Faith Haritos	A/Chief Financial Officer
Sandra Butcher	Director HR Services
Stephen Brooks	Senior Director Southern Region
Phil Harris	Senior Director Northern Region
Tim Blacker	A/Regional Director Tennant Creek
George Hutchinson	Regional Director Nhulunbuy



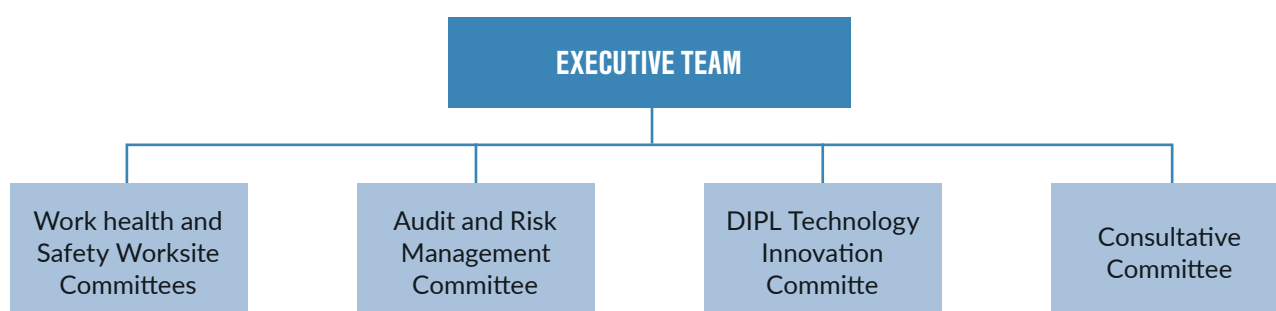
2017–18 Activities included:

- regular monitoring of reporting on the department's budget and financial performance, staffing, workforce development, work health and safety, information technology and records management, audit and risk management activities
- monthly reporting on agency performance
- regional visits to Katherine and Alice Springs with briefings on regional projects
- supporting the progress of three employee identified innovation projects:
 - o yellow/pink development assessment notices online
 - o field based access to systems and information
 - o 3D augmented reality communications of major projects
- identifying priority departmental training and development activities:
 - o Fraud and Corruption
 - o Performance Management
 - o Merit Selection
- identifying topics for Senior Leaders Forums
- reviewing and endorsing corporate policy such as complaints management and remote travel
- briefings on:
 - o new NT Environmental Protection Framework (Department of Environment and Natural Resources)
 - o Local Decision Making Framework (Department of Chief Minister).

2018–19 Activities include:

- review new performance planning and reporting framework.
- review Remote Travel Policy
- briefings on:
 - o Community Land Use Plans
 - o Onshore Gas Industry
 - o ASNEX

The Executive Leadership Team provides governance and leadership to a number of committees that support our key objectives and purpose. This relationship is identified in the figure below.



ACCOUNTABILITY AND STANDARDS

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee (ARMC) was established to ensure the Chief Executive has clear, comprehensive, independent advice on the effectiveness of the department's governance structures, systems and processes. The ARMC is empowered to investigate any relevant matter with unrestricted access to department records, facilities and personnel. It has the authority to engage independent counsel as it deems necessary, to effectively discharge its duties.

Membership as at 30 June 2018

Members	Position	Department
Graham Symons (Chair)	External	
Leah Clifford	Deputy Chief Executive	Department of Infrastructure, Planning and Logistics
John Harrison	A/General Manager Infrastructure, Investment and Contracts	Department of Infrastructure, Planning and Logistics
Louise McCormick	General Manager Transport and Civil Services	Department of Infrastructure, Planning and Logistics
Karen Elligett	External - Executive Director, Corporate Services	Department of Housing and Community Development
Proxy Members	Position	Department
Bruce Michael	Executive Director Transport Planning	Department of Infrastructure, Planning and Logistics
Fabio Finocchiaro	Executive Director Land Services	Department of Infrastructure, Planning and Logistics
Fotis Papadakis	A/Executive Director Programming, Reform and Compliance	Department of Infrastructure, Planning and Logistics
Observers	Position	Department
Sarah Temple	Executive Director, Corporate Services	Department of Infrastructure, Planning and Logistics
Stacey Kelly	Principal Auditor	NT Auditor-General's Office
Faith Haritos	A/Chief Financial Officer	Department of Infrastructure, Planning and Logistics
Jenny Medwell	Director Audit and Risk Management Services Unit	Department of Infrastructure, Planning and Logistics
Petra Holgate (Secretariat)	Executive/Risk Management Officer, Corporate Services	Department of Infrastructure, Planning and Logistics



2017–18 Achievements included:

- meeting four times during the year and also reviewed briefing papers out of session on one occasion
- reviewing and providing feedback on draft fraud, risk management and probity policy documents
- conducting a review of the Committee's performance and identifying areas for improvement
- providing feedback on the performance of internal audit.

2018–19 Priorities include:

- review DIPL's Strategic Business Risk Assessment
- developing a Committee Work Plan for 2018–19
- providing oversight and advice (where required) on key governance matters.



ACCOUNTABILITY AND STANDARDS

TECHNOLOGY AND INNOVATION COMMITTEE

The role of the Department of Infrastructure, Planning and Logistics Technology and Innovation Committee (DTIC) is to:

- ensure a robust Information and Communication Technology (ICT) Governance Framework is in place for managing assets, investment and projects involving technology
- encourage a culture of innovation within the department.

Project reviews are conducted online, while the DTIC meets every six to eight weeks to consider and encourage ideas from staff around the department to grow, improve or encourage those ideas to develop further.

DTIC met on five occasions in 2017–18.

Membership as at 30 June 2018

Members	Position	Division
Sarah Temple (Chair)	Executive Director Corporate Services	Corporate Services
Brian Schmid	A/Director IT Systems and Development	Corporate Services
Phillip Rudd	Director NT Land Information Systems	Lands and Planning
Richard Smith	Senior Director Land Information	Lands and Planning
David Kerslake	Project Delivery Manager	Transport and Civil Services
Glenda Thornton	Director Motor Vehicle Registry	Transport and Civil Services
Jo Cruickshank	Senior Policy Analyst	Strategy, Policy and Legislation
Wendy York	Director Infrastructure, Development and Support	Infrastructure, Investment and Contracts
Andy Roberts	Manager Products and Services, Land Information Systems	Regional Representative
Petra Holgate (Secretariat)	Executive Risk Management Officer	Corporate Services
Fotis Papadakis	A/Executive Director Programming, Reform and Compliance	Infrastructure, Investment and Contracts

Projects considered/reviewed by the DTIC in 2017–18 included:

- Digital Territory Action Plan
- ICT Asset Reporting in the department
- Capital Items Bids for 2017–18
- Disaster App
- Office 365
- Collaboration Sites.



CONSULTATIVE COMMITTEE

The Consultative Committee was initially established in September 2016 to consult with unions on significant changes arising from the Machinery of Government changes to form the Department of Infrastructure, Planning and Logistics. The committee's ongoing role is to consult about significant matters and manage change. The committee is chaired by the Chief Executive and includes departmental representatives, union officials and union delegates.

The committee met two times during 2017–18.

Membership as at 30 June 2018

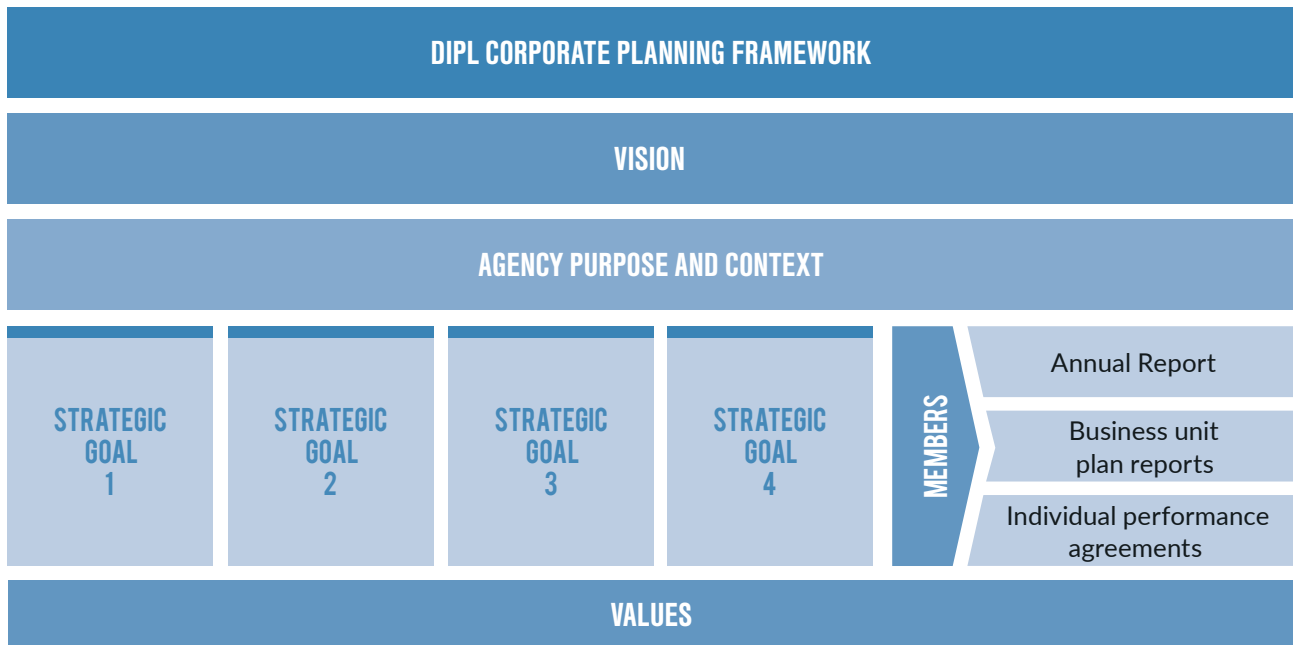
Members	Position
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Sarah Temple	Executive Director Corporate Services
Simon Saunders	Executive Director Transport Safety and Services
Sandra Butcher	Director HR Services
Departmental Representatives	
Chris Allinson	Australian Manufacturing Workers Union (AMWU) Union Delegate
Frank Spencer	AMWU Union Delegate
Feroz Mohamed Ibrahim	Community and Public Sector Union (CPSU) Union Delegate
Robert Haakmeester	CPSU Union Delegate
Trent Goodwin	CPSU Union Delegate
Christopher Knight	CPSU Union Delegate
Union Representatives	
Kay Densley	CPSU Branch Secretary
Lucas Hemsley	CPSU Organiser
Lloyd Pumpa	AMWU Organiser

REGULATORY AND LEGISLATIVE ADVISORY BOARDS AND COMMITTEES

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

STRATEGY AND PLANNING

Creating links between our priorities and operational delivery



CORPORATE REPORTING FRAMEWORK

The corporate planning framework links our vision with the Department of Infrastructure, Planning and Logistic's (DIPL) purpose and context. The framework provides links to annual performance reporting and is underpinned by accountabilities and values.

We translate our priorities and actions from divisional plans into business unit plans and then into individual performance plans for each member of our team.

The department's annual report assesses our performance against our priorities and is linked to our budget position as reported in Budget Paper 3.

DIPL PRIORITIES 2017

The DIPL Priorities 2017 document defines the department's vision and guides our activities and actions. It reflects the Northern Territory Government's priorities and the ways in which our department contributes to those overarching goals.

The department has four priorities:

Priority 1: Long term planning that integrates community needs with Government priorities and industry best practice.

Priority 2: Deliver the Territory's Infrastructure Program.

Priority 3: Deliver innovative, well-regulated and sustainable services.

Priority 4: Create an organisation with the values, capacity and capability to deliver effective services.

These priorities have been refined in the Department of Infrastructure, Planning and Logistic's Strategic Plan 2018–2021.



OPERATIONS AND PERFORMANCE

Monitoring operations and performance through planning and regular reporting.

OPERATIONAL PLANS

Work units use annual operational plans to outline priority projects and focus areas for the year ahead. General Managers and Executive Directors use these plans to report on and monitor divisional performance using an Agency Performance Report that is tabled at Executive Leadership Team meetings on a monthly basis.

SYSTEMS AND PROCEDURES

The department uses online forms and systems to streamline internal business processes. These systems are used for processing approvals related to procurement, finance, invoicing, accounting, credit cards, recruitment, employment and travel.

FINANCIAL REPORTING

The Finance and Office Services unit regularly reports to the Chief Executive, Executive Management Board, Executive Leadership Team, General Managers, Executive Directors and Directors on 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
- monitoring of capital works, repairs and maintenance and minor new works spending.

EMPLOYEE PERFORMANCE REVIEWS

The department has developed an Employee Performance and Development Framework to increase the use and effectiveness of performance agreements. This is driven by the need to have a performance management system that is valued by all who have to use it. The focus of the system moves away from detailed and lengthy forms and is around employees having 'performance conversations', and creating a culture where these conversations are the norm.

INTERNAL/EXTERNAL REPORTING

As a public sector agency, the department is required to prepare a variety of reports for external reporting purposes. The annual report is one of the department's key performance reports, in addition to information included in budget papers and financial reports prepared

for the public sector by the Department of Treasury and Finance. The department also submits information for inclusion in the State of the Service Report prepared by the Office of the Commissioner of Public Employment. Internal reporting is focused on preparing monthly reports for the Executive Leadership Team. These reports include reports on financial performance, staffing, procurement, travel, fleet, freedom of information, information technology (IT) projects, risk and audit and work health and safety. These reports are reviewed regularly and modified to enhance readability or to add or amend the type of information presented.



CONTROLS AND COMPLIANCE

Ensuring adequate internal controls are in place and monitoring compliance with those controls.

MONITORING PERFORMANCE AND RISKS THROUGH AUDITS AND REVIEWS

The quality of our control systems is monitored as part of Corporate Services' Divisional Plan. Internal and external audits, performance audits, financial statement audits and assurance reviews are conducted to determine the accuracy and reliability of information and provide:

- an independent assessment of selected areas of the department
- an assurance about public sector financial reporting, administration and accountability.

The department completed four internal audits during 2017–18 and the Northern Territory Auditor-General 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 of risk-based activities to assess whether the department is operating satisfactorily. It also enables the department's Audit and Risk Management Committee and Executive Leadership Team to determine if appropriate risk and internal control mechanisms are in place for a strong risk and compliance culture.

The department uses a co-sourced service delivery model. Internal audits are conducted by a combination of in-house staff and a sole service provider managed in-house by the department. This arrangement provides an independent and objective assurance and advisory service to the department as well as assurance to the Chief Executive and the committee that the department's financial and operational controls:

- manage organisational risk
- achieve organisational objectives
- operate efficiently, effectively and in an ethical manner
- assist management to improve business performance.

INTERNAL AUDITS

There were four internal audits completed in 2017–18 related to:

- Overtime Claims and Payments Report
- Value for Territory Procurement Assurance Program 1 July to 31 December 2017
- Cash Handling Processes in selected areas of the department
- Cabinet Information Security Measures Annual Compliance.

EXTERNAL AUDITS

External audits play a major role in the way the department is held accountable for its financial, compliance and performance outputs. External audits are conducted by outside entities, usually the Auditor-General of the Northern Territory, however, other providers can be used. The Auditor-General reports directly to the Northern Territory Parliament twice a year and releases reports publicly.

The eight external audits finalised in 2017–18 were:

- End of Year Review for 30 June 2017



- Indigenous Employment Provisional Sum – Performance Management System Audit
- Berrimah Farm Redevelopment – Performance Management Systems Audit
- Federal Interstate Registration Scheme – Interstate Road Transport Acquittal
- Black Spot Program Acquittal
- Infrastructure Investment Program Acquittal
- Roads to Recovery Acquittal
- Agency Compliance Audit for 2017-18.

RISK MANAGEMENT

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

A Risk Management Framework has been drafted and guides staff in identifying, assessing, treating and monitoring risks at strategic, operational and project level.

COMPLIANCE AND REPORTING

The department has a number of internal control mechanisms designed to mitigate risks in the workplace (table below).

CODE OF CONDUCT

Through internal training programs such as the corporate induction program and regular communication via department-wide emails, staff are regularly reminded of their responsibility to act in accordance with the Northern Territory Public Sector Code of Conduct. Where an employee acts in contravention of the Code of Conduct, the department may start disciplinary proceedings.

DELEGATIONS

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

The Chief Executive has established the following delegations:

- Financial delegations
- Human Resources delegations
- Procurement and Contracts delegations.

Business unit delegations include the following delegations operating in business units:

- Land Administration delegations (various Acts)
- Planning delegations (*Planning Act*).

Conflict of interest:	Whether real or perceived, conflicts of interest erode confidence in the integrity of the organisation. Executive Directors and Directors are responsible for ensuring staff declare any conflicts, which are reported to the department's ARMC. In addition all Directors and above make our annual declaration. Fifty seven (57) declarations of interests were made by departmental officers in 2017-18.
Gifts and benefits:	The department must be open, accountable and its actions defensible when dealing with acceptance of gifts and benefits. Executive Directors and Directors are responsible for ensuring that staff declare any gifts and benefits. Forty six (46) gifts and benefits declarations were made by departmental officers during 2017-18.
Whistle-blowers:	Staff are regularly reminded that they can report wrongdoing through whistle-blower legislation. The Executive Director Corporate Services is the department's 'Protected Disclosure Officer'. One public interest disclosure was lodged regarding the department's officers in 2017-18.



RECORDS AND ARCHIVE MANAGEMENT

The Department of Infrastructure, Planning and Logistics has a complete and robust records and archives framework that meets the requirements of the Northern Territory Records Management Standards and the *Information Act*.

The department holds a range of record sets that are captured, managed and disposed of, or archived, in accordance with the *Information Act*. Department record sets include:

- building files
- planning and development applications
- Crown land files
- Place Names
- Government works procurement and projects
- motor vehicle registration and licensing transactions
- administrative files
- survey plans
- transport and traffic management

ACCESS TO INFORMATION

In accordance with the *Information Act*, the department has policies and procedures so individuals can access records and information held by the department.

A total of 23 applications to access information were accepted and processed by the department in 2017-18. This included 21 applications for Government information and two applications for personal information, an overall decrease of nine applications from the previous year.

The department received several other applications for Government information during the year, which were not accepted

because the applicants were able to obtain relevant information via 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: www.dipl.nt.gov.au/publications.

There is no application fee for personal information. There are search, processing and decision making fees that apply to both applications for Government and personal information.

For more information about freedom of information policies and procedures, visit <https://infocomm.nt.gov.au/>.

	2016-17	2017-18
Applications received – government information	32	21
Applications received – personal information		2
Carried over applications	2	2
TOTAL	34	25



INSURANCE ARRANGEMENTS

Treasurer's Directions (TD) M2.1 Insurance arrangements requires that Northern Territory Government agencies provide information about self-insurance and commercial insurance arrangements, including:

- mitigation strategies and processes employed to reduce the risk for each insurable risk category
- the total number, value and average cost of self-insurance claims for each insurable risk category
- total commercial insurance premium expenditure.

The insurable risk categories are workers' compensation, property and assets, public liability and indemnity.

INSURABLE RISK CATEGORIES AND MITIGATION STRATEGIES, 2017-18

Workers' compensation	The department has a structured work health and safety management system that provides all staff with a range of policies, guidelines, reference material and practical tools to mitigate personal risk and minimise the potential for work-related illness or injury.
Property and assets	A repairs and maintenance program is in place for property and asset management.
Public liability	Procurement policies and processes ensure contractors and service providers have appropriate credentials and insurances in place. Operational processes and procedures are in place to ensure the timely repair and maintenance of assets to minimise risk clients. Early identification of hazards helps to minimise risk of harm.
Indemnity	Risk assessment is conducted in relation to contracts and agreements. Advice is sought to identify potential issues affecting the department on strategic projects. The department keeps a register of indemnities.

WORKERS' COMPENSATION

There were 11 new claims against the department in 2017-18.

DEPARTMENTAL WORKERS' COMPENSATION CLAIMS

Status of claims	2017-18
Open claims at the beginning of the report period (1 July 2017)	9
New claims received	11
Claims resolved or closed off	5
Current claims as at the end of the reporting period (30 June 2018)	15



RECORDS AND ARCHIVE MANAGEMENT

SELF-INSURED RISKS AND CLAIMS

Workers' compensation	2016-17	2017-18
Total value of claims	\$858 023	\$815 183
Number of claims	12	23
Average cost of claims	\$71 502	\$35 443

PUBLIC LIABILITY

During 2017-18, the department had \$1500 in approved public liability insurance premiums for the Old Town Hall Ruins in Smith Street, Darwin.

There were no claims made under this policy during the reporting period.

COMMERCIAL INSURANCE EXPENDITURE

	2016-17	2017-18
	Actual \$	Actual \$
Public liability insurance	\$1564	\$1500
Worker's Compensation*	\$0	\$910
Total insurance expenses	\$1701	\$973 229

* Higher than budget due to a new workers' compensation arrangement whereby the department pays a fixed cost and management fee per annum, rather than the previous self-insurance scheme.

MOTOR VEHICLE

During 2017-18, 20 vehicles were repaired for damage. A comparison of vehicles damaged over the past two financial years is below.

MOTOR VEHICLE DAMAGE COMPARISON

	2016-17	2017-18
Number of vehicles	15	20
Value of claims*	\$32 570	\$56 943
Average cost of claim	\$2171	\$2847

Source: NT Fleet *Value of claims includes motor vehicle accident repairs and cost of vehicles written off in accidents.



OUR PEOPLE





OVERVIEW

The capacity of our workforce is critical to how successful we are in achieving our goals as a department.

The Department of Infrastructure, Planning and Logistics is committed to building a capable and professional workforce, supported by a strong and positive workplace culture. The department's people priorities in 2017-18 were to:

- create high-performing diverse teams
- create the right environment
- recruit and retain the right people.

STAFFING NUMBERS

Division	2016-17	2017-18
	FTE	FTE
Executive Services	17	15
Corporate Services	63	50
Strategy, Policy and Legislation	11	10
Lands and Planning	151	153
Infrastructure, Investment and Contracts	180	188
Transport and Civil Services	313	324
Total Full Time Equivalent (FTE)	736	740
Total Paid Employees	761	767
TOTAL HEADCOUNT	797	787

FTE: Full time employees.

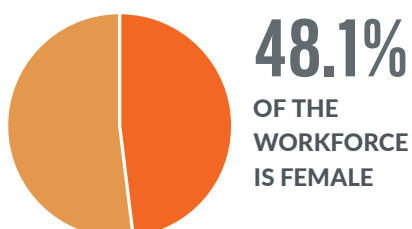
Paid Employees: Employees who have a FTE value greater than 0.

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.



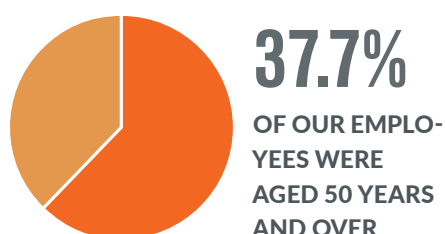
EQUAL EMPLOYMENT OPPORTUNITY

The department is committed to being an inclusive and welcoming organisation. Some of our key statistics include:



30 WOMEN IN SENIOR
MANAGEMENT ROLES
(SAO2 AND ABOVE)

44 (5.7%) STAFF IDENTIFY AS
ABORIGINAL EMPLOYEES WITH
FIVE ABORIGINAL
EMPLOYEES IN SENIOR
MANAGEMENT ROLES
(SAO1 AND ABOVE)

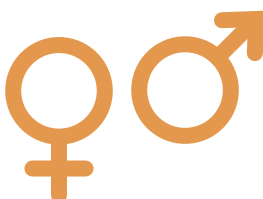


7.2%
55 EMPLOYEES
IDENTIFY AS BEING
FROM A NON-
ENGLISH SPEAKING
BACKGROUND

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

THE MAJORITY
OF FEMALES
WERE IN THE AGE GROUP

25-39

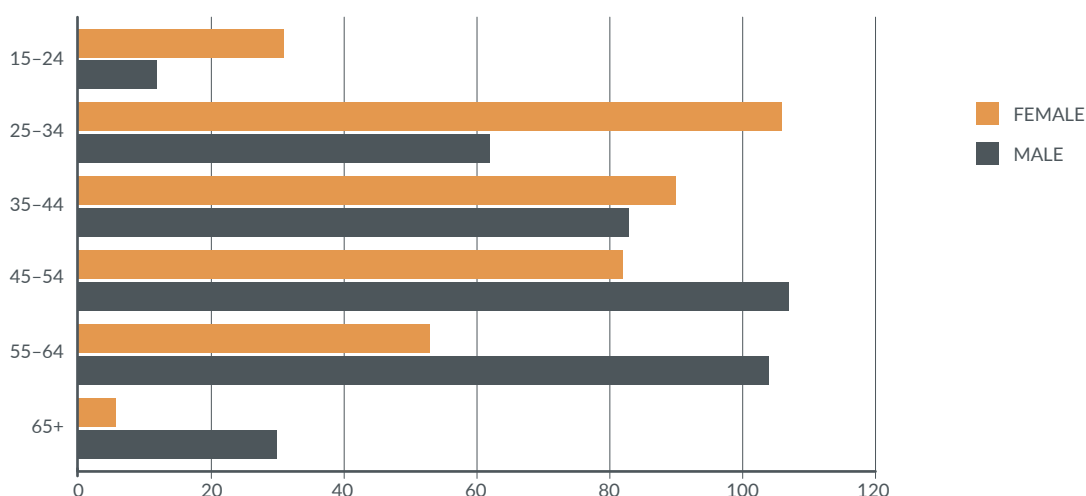


THE MAJORITY OF
MALES WERE IN THE

54-60

AGE
GROUP

AGE DISTRIBUTION OF PAID EMPLOYEES AS AT 30 JUNE 2018





ENCOURAGING DIVERSITY AND FLEXIBILITY



WORK LIFE BALANCE

Flexible work arrangement options are supported by the department as they are a valuable tool to help achieve greater productivity, as well as supporting employees to improve the balance they may need between work and personal commitments.

In 2017–18, the department supported work life balance for employees by providing a number of flexible working arrangements including:

- 78 employees working part-time
- 40 employees took recreation leave at half pay
- three employees purchased additional leave.

Other initiatives available to staff across the department were:

- flexible working hours to accommodate family commitments
- home-based work arrangements
- transition to retirement plans.

HEALTH AND WELLBEING INITIATIVES

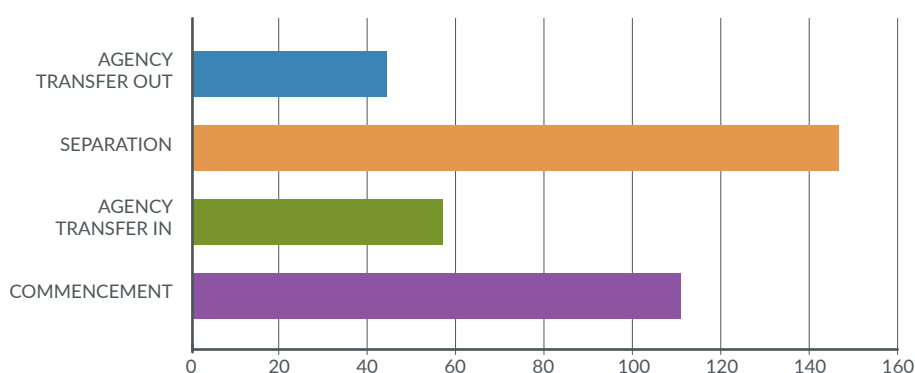
The department is committed to providing staff with opportunities to balance work commitments with family, community and cultural responsibilities. A number of initiatives were promoted throughout the year.

Initiatives for 2017–18 included:

- flu injections – the department offers free flu vaccinations on an annual basis, with 332 staff vaccinated
- Yogalates – a weekly exercise program encourages staff to be more active in their lunch break and to take a step in the right direction of improving their health. Staff arrange and pay for the sessions themselves, which is held in departmental conference rooms.
- Health Insurance – consultants from various health insurers offer one on one meetings with interested employees to discuss their health insurance needs.



COMMENCEMENTS AND SEPARATIONS FOR 2017-18



RECRUITMENT

In the 2017-18 year, 168 employees were recruited and began working with the department, including 110 new Northern Territory Public Sector (NTPS) commencements and 58 Northern Territory Government department transfers in.

INDUCTION OF NEW EMPLOYEES

Induction programs are conducted for all new staff who join the department to ensure they are aware of their obligations and entitlements as employees of the department and the NTPS more broadly. Induction sessions are delivered by Human Resources (HR) throughout the year. Work units are responsible for inducting employees into their place of work and welcoming them to the department.

RECRUITMENT TRAINING

The NTPS online recruitment and advertising portal, eRecruit, is used across the department, which has eliminated the use of paper based recruitment forms.

As well as training in using eRecruit, The NTPS Merit Selection training continued to be offered across the department to ensure all selection panels were trained in the Simplified Merit Selection Recruitment Process that was implemented across the NTPS in 2015.

Selection panel members were able to attend the Merit Selection Training, either face to face at the Office of the Commissioner for Public Employment, or online through the MyLearning portal.

In the 2017-18 year:

- 37 employees attended eRecruit training
- 73 employees attended NTPS Merit Selection Recruitment training and/or NTPS eLearning Selection training.



LEARNING AND PROFESSIONAL DEVELOPMENT

TRAINING AND DEVELOPMENT

In 2017–18, the department invested \$942 556 in learning and development programs and initiatives with employees attending sessions across a wide range of corporate training, both accredited and non-accredited, including:

- Challenging Unconscious Bias
- Recruitment & Selection Training
- eRecruit
- Simplified Recruitment and Special Measures Training
- Appropriate Workplace Behaviour
- 'Combat Bullying – Call It Like It Is'
- Dealing with the Tough Stuff
- Workplace Health and Safety
- Better Ministerial Writing
- Communicate with Influence
- Performance Management
- Emotional Intelligence
- Mediation and Facilitation Skills for Managers
- Transformational Leadership
- Team Development using Hermann Brain Dominance Instrument (HBDI)
- Leading Through Change
- Punctuation Unpacked
- How to Write Plain English
- Cross Cultural Awareness
- Manage Multigenerational Teams
- Machinery of Government.

UNDERGRADUATE AND POST GRADUATE STUDY

Fourteen employees were provided with support in further studies at undergraduate and post graduate level. The areas of study included:

- Executive Master of Business Administration
- Masters of Business Administration
- Graduate Diploma of Project Management
- Graduate Certificate in Development Planning
- Certified Public Accounting (CPA) Program
- Bachelor of Spatial Science Honours, Majoring in Geographic Information System (GIS)
- Bachelor of Construction Management
- Bachelor of Property
- Bachelor of Spatial Science Technology
- Bachelor of Law
- Bachelor of Nursing
- Bachelor of Creative Arts and Industries (Communication/ Public Relations/ Marketing).
- Associate Degree in Engineering

CERTIFICATE AND DIPLOMA STUDY

- Diploma in Government (Procurement and Contracting)
- Diploma of Project Management
- Diploma of Human Resources
- Diploma of Business
- Certificate IV Workplace Health and Safety
- Certificate IV in Government (Procurement and Contracting)
- Certificate IV in Government Investigations
- Certificate IV in Leadership and Management
- Certificate IV in Civil Construction Supervision.

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. One employee participated in the program in 2017–18.



Training and Development Expenditure	2017-18
Total employees (FTE)	740
Total Training and Development Expenditure	\$942 556
Total Personnel Expenditure	\$87 869 502
Training and Development Costs as % of Personnel Expenditure	1.1%
Training Expenditure per Employee (FTE)	\$1274

Summary of Studies Assistance Received	2017-18
Employees Receiving Studies Assistance	14
Total Reimbursed	\$51 535
Average Reimbursement	\$3681



BUILDING CAPABILITIES OF EMPLOYMENT

EMPLOYMENT PROGRAMS

The department's employment programs address succession planning issues by creating a supply of trained employees to meet the current and future needs of the department. The programs target entry-level recruits, including graduates, scholarship holders and trainees.

There are four key development pathways within the Employment Programs structure.

The Engineering Scholarship provides successful applicants with financial support towards the cost of gaining tertiary qualifications at Charles Darwin University (CDU) and is supplemented with paid work placements, in both the department and industry, enabling individuals to gain 'on the job' knowledge and experience. The department sponsored six scholarship students in 2017-18.

The Graduate Program provides recent tertiary graduates

employment with the department for up to two years to develop their skills and experience in relation to their field of study.

The Technical Trainee Program employs participants for two years in technical roles while they complete a vocational, education and training (VET) qualification at the Certificate IV level.

The Department of Corporate and Information Services (DCIS) Aboriginal Employment Program enables participants to undertake a pre-employment development program and then, either complete a one year traineeship at the Certificate III level or are employed for 6-12 months in a specific role within the department. This is equivalent to an AO2 or T1 employment classification.

The department actively encourages high school and undergraduate students to participate in Work Experience and Vacation Employment Programs each year.

CHARLES DARWIN UNIVERSITY / NORTHERN TERRITORY GOVERNMENT PARTNERSHIP AGREEMENT

An ongoing partnership agreement between the Northern Territory Government and Charles Darwin University (CDU) continues to benefit the department, which is dedicated to developing local professionals in associated fields.

As a testament to the strong relationship between the department and CDU School of Engineering and Information Technology, the department extended its sponsorship of the Chair of Structural Engineering, David Lilley for this reporting period. Professor David Lilley works one day each week in the Palmerston office and his wide range of knowledge and experience is of great benefit to the department and its staff.

Employment Programs 2017-18	Number of Participants
Graduate Development Program	5
Engineering Co-Op Scholarship Program	6
Technical Trainee Program	3
Aboriginal Employment Program	4
Vacation Employment	6+
Work Experience	5+

The department is committed to supporting people to grow their experience, earn a recognised qualification or build a career within the Northern Territory Government. By making these programs available, DIPL is assisting in building a skilled resource group that benefits the Northern Territory Government and Territory community.



RECOGNITION AND ACHIEVEMENTS

RECOGNISING SERVICE MILESTONES

The 2017 Northern Territory Public Sector (NTPS) Recognition of Milestones was celebrated at events hosted by Ministers in both Darwin and Alice Springs during October 2017. The milestones recognise the achievement for 30, 35, 40 and 50 plus years of service in the NTPS.

The following nine employees from the department were recognised at the hosted events:

30 YEARS OF SERVICE

Paulette Tolley
Finance and Office Services

Lisa Fairall
Finance and Office Services

Jacky Gill
Transport and Civil Services

Sam Hatzivalsamis
Engineering and
Environment Services

35 YEARS OF SERVICE

Fabio Finocchiaro
Land Services

Phillip Rudd
NT Land Information Systems

Kumi Bali
Design

40 YEARS OF SERVICE

Sandra Butcher
Human Resources

Caroline Hallen
Program Management

Ian George
Transport Safety and Services

The department congratulates these employees for their commitment and contribution to the NTPS.

MASTERS IN TRANSPORT

Chandan Kalase



Earning my Masters of Transport has given me a broad awareness of the characteristics and significance of transport, including its technological, economic and social impact. I have also gained immense knowledge about state-of-the-art of transport engineering and planning, and look forward to applying this knowledge to finding transport solutions that assist the department in achieving its goals.

This achievement wouldn't have been possible without the support of my manager and the department. I wish to express my sincere gratitude for all the generous assistance during the course of my studies.

Congratulations to Chandan Kalase on completing his Masters of Transport.



CREATING A SAFE AND SUPPORTIVE WORK ENVIRONMENT

WORK HEALTH SAFETY AND WELLBEING

Eight Work Health Safety (WHS) Worksite Committees and the Work Health and Safety Chair Committee met quarterly to identify work, health and safety hazards and implement policies and practices that mitigate risks, while providing a consultative forum to address WHS matters for the department.

During the year, the department continued to monitor and evaluate resources provided through the Work Health and Safety Framework to ensure a contemporary approach that is in line with best practice methods.

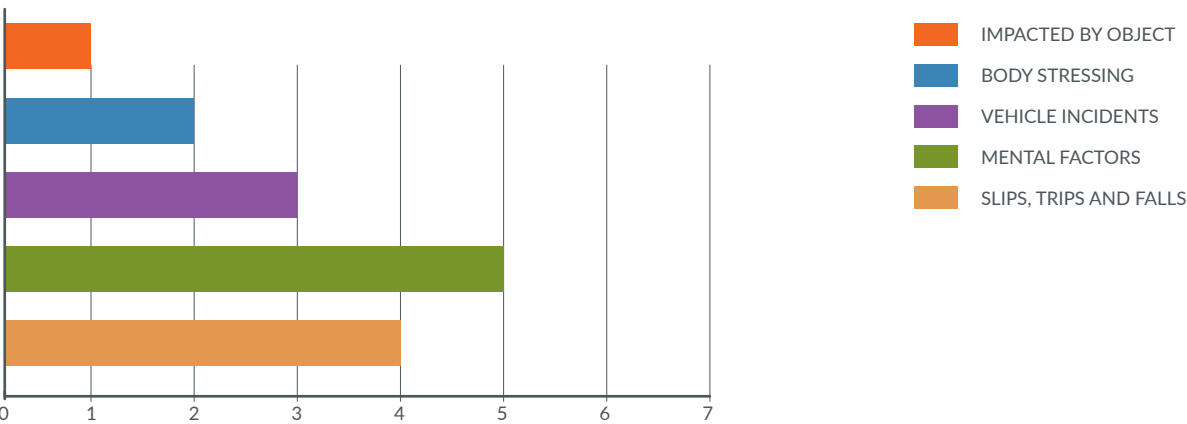
INCIDENTS AND WORKERS' COMPENSATION

As at 30 June 2018, the department had 15 open workers' compensation claims. Eleven

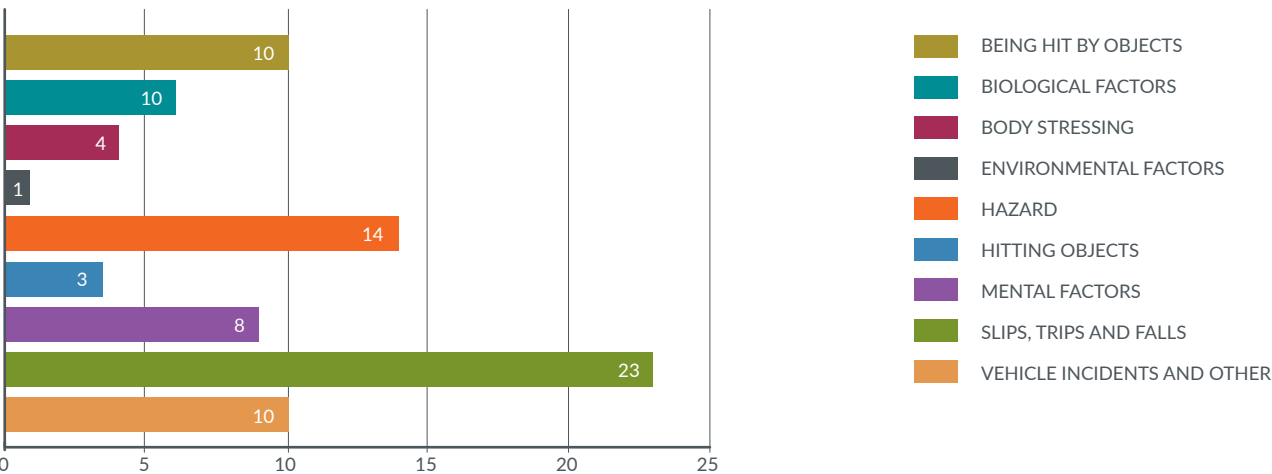
new claims were received during the 2017-18 financial year and nine were carried over from the previous year, with five claims closed during the year.

A total of 79 incidents reports were submitted during 2017-18. This represents an increase of 23 incidents from the previous year.

TOTAL WORKERS' COMPENSATION CLAIMS BY MECHANISM GROUP AS AT 30 JUNE 2018



TOTAL INCIDENTS BY MECHANISM GROUP AS AT 30 JUNE 2018





REPORTING AGAINST EMPLOYMENT INSTRUCTIONS

Department Action 2017-18

1. Filling Vacancies	For the 2017-18 period, the Department of Infrastructure, Planning and Logistics advertised 153 (ongoing and fixed period) positions. The department had 168 employees commence/transfer in and 191 separations/transfers out. There were two promotion appeals lodged for the period.
2. Probation	<p>The department has a current Probation Policy and flow chart consistent with the <i>Public Sector Management Act</i> and relevant awards.</p> <p>New ongoing employees in the department are advised of the probation process by the Department of Corporate Information Services (DCIS) as part of their Offer of Employment. This process is explained further during induction and in the department's information pack for new employees and available on the intranet. The employee's manager monitors probationary reports and timeframes.</p> <p>No employee's probation was extended during the 2017-18 reporting period.</p>
3. Natural Justice	The principles of natural justice are communicated to all employees. Natural justice is adhered to in all dealings with employees and reflected in internal policies and procedures.
4. Employee Performance Management and Development Systems	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.
5. Medical Examinations	Two employees were directed to attend an examination by a health practitioner for the 2017-18 period.
6. Employee Performance and Inability	<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>No inability action was taken during 2017-18.</p>
7. Discipline	<p>The department's discipline policy and procedure is available to all staff on the intranet.</p> <p>Four disciplinary actions were taken during 2017-18.</p>
8. Internal Department Complaints and Section 59 Grievance Reviews	<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>The department received no internal department complaints and no Section 59 Grievances Reviews for the 2017-18 period.</p>
9. Employment Records	<p>The Department of Corporate and Information Services (DCIS) stores all personnel files. The department complies with the DCIS policy regarding access to these files. Any requests to access employee records are made through the Director of Human Resources.</p> <p>No requests were lodged for employee information under the <i>Freedom of Information Act</i> in 2017-18.</p>



REPORTING AGAINST EMPLOYMENT INSTRUCTIONS

Department Action 2017-18	
10. Equality of Employment Opportunity Programs	<p>The department has 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>
11. Occupational Health and Safety Standards Programs	<p>The department has a Work Health and Safety (WHS) Committee to ensure WHS compliance. The details of the WHS activities are reported in the annual report. Current obligations, policies and procedures are available to all staff on the intranet.</p>
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	<p>The department is committed to providing all employees with a safe and healthy workplace, free from inappropriate behaviours such as bullying, harassment and discrimination.</p> <p>Training on Challenging Unconscious Bias, Combat Bullying, Dealing with the Tough Stuff and Performance Management was delivered in 2017-18. The training provided useful tools and resources to employees in their working environments.</p> <p>Six formal complaints were made about inappropriate workplace behaviour's during the reporting period.</p>
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 2017-18, no employees became redeployees.</p>
15. Special Measures	<p>The department has six positions where a special measures plan applies in the DriveSafe team.</p> <p>The department also continues to participate in specific Aboriginal Early Careers Programs to meet identified targets.</p>



FINANCIAL PERFORMANCE





FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018

The Department of Infrastructure, Planning and Logistics (the department) works with Territory businesses, industry and the community to plan, regulate, facilitate and construct integrated, sustainable development and works across the Territory.

The department is responsible for:

- strategic planning to set the direction for land use, transport networks and infrastructure to meet the community's needs and support future growth of the Territory
- delivering the Territory's infrastructure program and providing services as the Territory's central construction agency, including strategic infrastructure planning
- managing land administered on behalf of the Territory and the Crown
- developing, maintaining and holding land-related spatial information and data used to support Long term planning
- supporting a number of statutory committees and boards related to the agency's functions and responsibilities
- providing regulatory and customer services to ensure safe, efficient and sustainable land, including building development, planning and transport systems
- advocating the Territory's interests in national and local forums.

The department's output groups are:

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

Refer to Note 3 of the Financial Statements for reporting by output groups.

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018



OPERATING STATEMENT (FINANCIAL PERFORMANCE)

The department reports an operating deficit of \$89.0 million against a budgeted deficit of \$87.4 million. Deficit results are planned as depreciation expenses (\$67.4 million actual result) are not funded through output appropriation under the Territory's Financial Management Framework. The deficit also includes approved use of cash balances from prior year commitments and non-cash expenses relating to the expenditure of completed works that do not meet the capitalisation criteria and land subject to an agreement which includes land granted to various organisations, all of which increase the budgeted deficit.

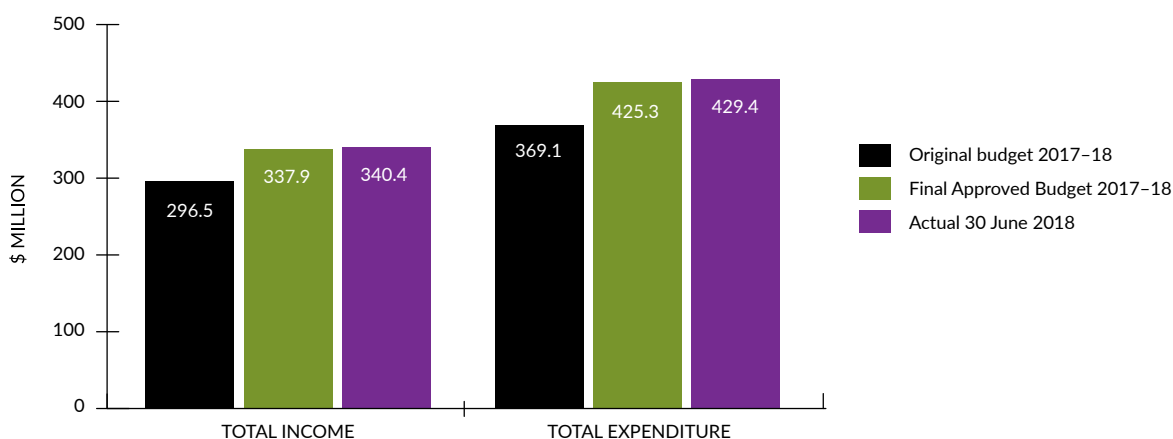
SUMMARY OF FINANCIAL PERFORMANCE

The graph below summarises changes in total income and total expenditure over the 2017-18 financial year, from the original budget to the final approved budget which was revised in June 2018. This is compared against the actual result as at June 2018.

It should be noted that the significant increase in actual expenditure of \$60.2 million from the original budget was mainly attributed to:

- Repairs and maintenance \$17.7 million,
 - o disaster maintenance, mainly related to the department's response to Cyclone Marcus.
 - o non-cash expensing of capital works projects which do not meet the capitalisation criteria and are required to be expensed.
- Other administrative expenses \$5.7 million
 - o land subject to an agreement which includes land granted to various organisations.
 - o provision for doubtful debts.
- Grants and subsidies \$33.1 million
 - o funding carried over from 2016-17 to 2017-18 for the Regional Economic Infrastructure Fund (REIF) program.
 - o undergrounding power lines.
 - o local Government councils for revitalisation projects throughout the Territory.

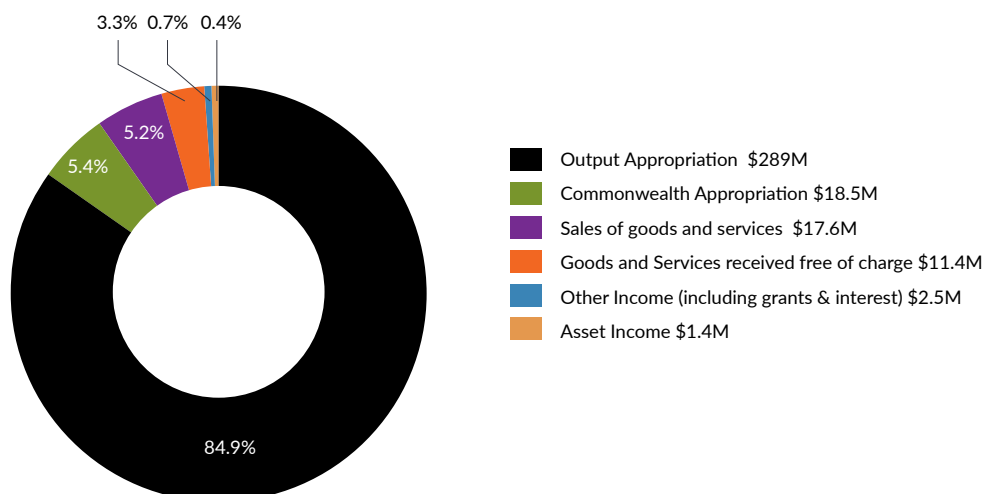
Summary of Financial Performance 2017-18



FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018

2017-18 Operating Income Profile (\$340.4M)



OPERATING INCOME

Total operating income for 2017-18 was \$340.4 million, being \$2.5 million higher than the final approved budget. The main source of funding was output appropriation of \$289 million, followed by Commonwealth appropriation of \$18.5 million. The Commonwealth funds primarily relate to repairs and maintenance on National Highways. Revenue was also derived from the sales of goods and services, current and capital grants revenue, profit from land sales and other income consisting of goods and services received free of charge (for notional shared services), interest and miscellaneous revenue.

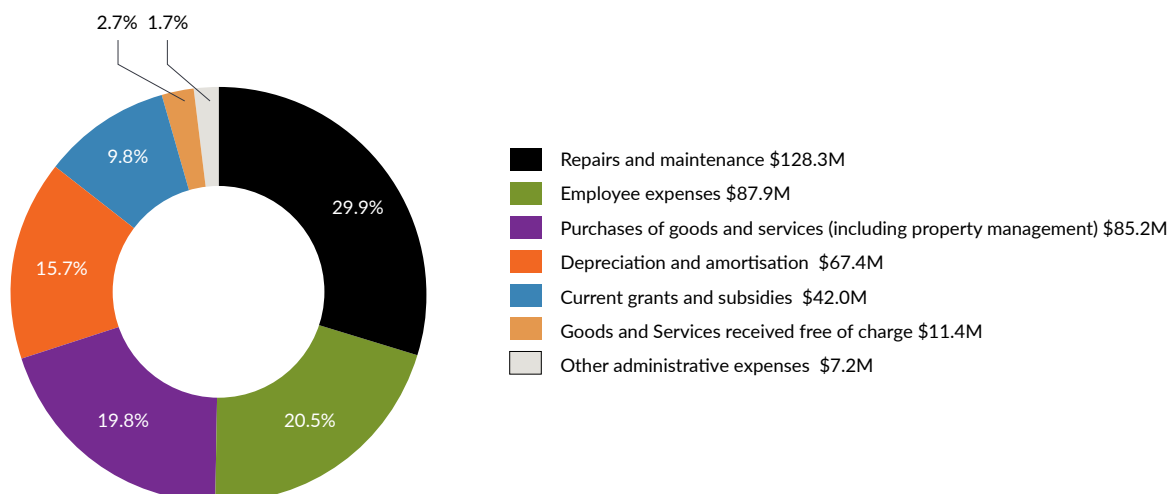
The increase in revenue against the budget is mainly attributed to the \$1.4 million profit on sale of land and interest income on the 99 year lease agreement for the Port of Darwin both of which are unbudgeted.

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018



2017-18 Operating Expense Profile (\$429.4M)



OPERATING EXPENSES

Total operating expenses for 2017-18 were \$429.4 million. Repairs and maintenance expenditure of \$128.3 million constitutes the greatest portion of this cost followed by employee expenses of \$87.9 million, purchases of goods and services (including property management) of \$85.2 million, depreciation and amortisation of \$67.4 million and grants and subsidies of \$42.0 million.

Repairs and maintenance was \$0.6 million higher than the final approved budget. The repairs and maintenance costs arise from continued substantial investment in Territory roads undertaken by the department on both the Territory and National Network. Also included in repairs and maintenance expenses are costs related to Transport assets such as barge landings and aerodromes and associated expenditure for disaster maintenance.

The purchase of goods and services was \$2.3 million higher than the final approved budget. Provision of public transport is a significant component of operating expenditure with a total of \$51.6 million spent on providing public transportation services, primarily bus and ferry transport.

Total employee expenditure was \$0.9 million higher than the final approved budget for the year, and was mainly a result of additional resourcing required to deliver the economic stimulus package and for the review of the Indigenous Employment Provision Sum (IEPS).

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018

EXPENDITURE TREND

	2016-17	2017-18			
	Actual \$M	Actual \$M	Final Approved Budget \$M	Variance \$M	Variance %
Operating expenses					
Employee expenses	88.6	87.9	87.0	0.9	1.0%
Purchases of goods and services (including property management)	83.5	85.2	82.9	2.3	2.8%
Repairs and maintenance	120.5	128.3	127.7	0.6	0.5%
Other administrative expenses	1.6	7.2	3.2	4.0	125%
Grants and Subsidies	25.4	42.0	44.5	(2.5)	(5.6)%
Depreciation and amortisation	65.8	67.4	67.4	0	0%
Goods and Services received free of charge	12.2	11.4	12.6	(1.2)	(9.5)%
TOTAL	397.6	429.4	425.3	4.1	0.1%

Overall, the department spent \$4.1 million more than budgeted. Minimal variances in spending occurred across most categories of operating expense.

Key expense variations to the final approved budget are highlighted below;

- Other administrative expenses were \$4.0 million higher due to the unbudgeted non-cash provision for doubtful debts and land subject to an agreement which includes land granted to various organisations, representing the accounting treatment of derecognising the value of the asset.
- Purchase of goods and services were \$2.3 million higher than budget due to a new workers' compensation arrangement whereby the department pays a fixed cost and management fee per annum, rather than the previous self-insurance scheme and increased payments for demand driven bus contracts. Additionally, the department made payments on behalf of the previous Home Building Certification Fund scheme that provided policy holders with cover in the event that building works were non-compliant with the National Construction Code of Australia including the Building Code and Plumbing Code of Australia. Payments made under this scheme are unbudgeted.
- Grants and subsidies expenses were \$2.5 million lower than budget mainly due to the Regional Economic Infrastructure Fund (REIF) program. Milestones for the program as per the current agreements were not met and as a result payments were not processed with resulting commitments subject to a carry forward request into the 2018-19 financial year with appropriate allocated budget also subject to a carry forward request.

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018



BALANCE SHEET

The Balance Sheet shows the department's net worth and financial position. The department held assets totalling \$6.98 billion at 30 June 2018.

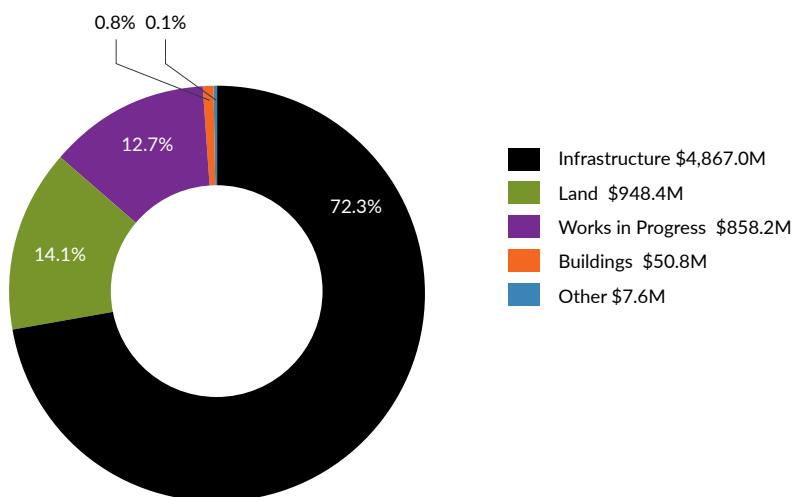
The largest component of the department's asset profile relates to infrastructure assets of \$4.9 billion, which are predominantly Territory road network assets inclusive of roads and bridges. Also included in infrastructure assets are transport assets, such as barge landings, aerodromes and marine infrastructure.

The department did not carry out any infrastructure asset revaluations in this category during 2017-18. The department maintains a rolling revaluation program and the valuation of these assets are in line with Treasurer's Directions and accounting principles.

Another significant component of the asset profile is land, primarily crown land. In 2017-18, the department re-valued land in accordance with the internal revaluation policy, which resulted in an increase in value of land by \$84.5 million to \$948.4 million. The land portfolio includes vacant crown land which is managed by the department as the Crown Land administrator to meet current and future land requirements of the Territory Government.

The department plays a lead role in planning, constructing and maintaining Government infrastructure across the Northern Territory and holds construction (work in progress) at \$858.2 million. This value represents the current collective value of works which are yet to be completed and transferred to each appropriate host department.

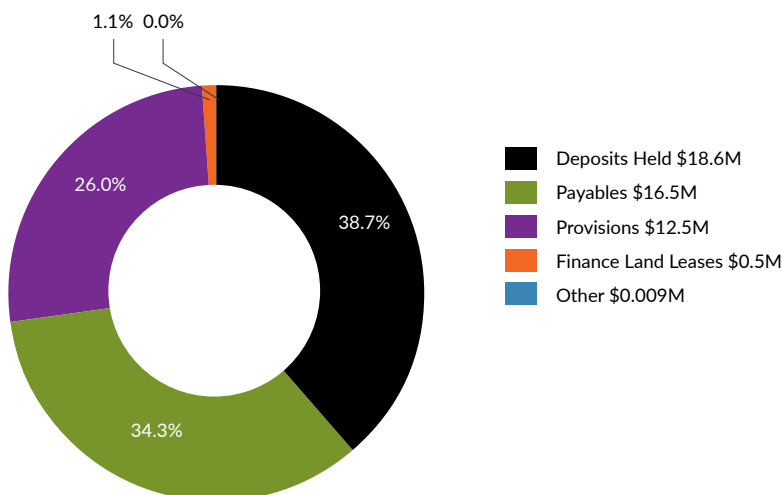
2017-18 Asset Portfolio – Property, Plant and Equipment (\$6,732.1M)



FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018

2017-18 Liabilities (\$48.0M)



LIABILITIES

The department held liabilities of \$48.0 million as at 30 June 2018 comprising of deposits held in trust, payables and provisions.

In 2017-18 the department continued to maintain a strong financial position, with liabilities representing approximately 0.7% of total assets. An increase of 0.1% to the previous year represents a \$5 million increase in deposits held in trust.

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 \$175.7 million at year end. These funds will be utilised in future years to meet the department's obligations such as carrying out works on the Infrastructure Program including Commonwealth capital works expenditure. Funds will also be utilised to meet recoverable works deposits held and carry-over items including grant commitments from prior years, infrastructure related expenses not spent in time, repairs and maintenance stimulus funding and Commonwealth capital works expenses.

The cash position during the year is predominantly impacted by the timing of payments, carryovers of unspent funds and timing of Commonwealth funding.

FINANCIAL STATEMENT OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2018



CAPITAL SPEND

In 2017-18, the department had a total capital spend of \$461.9 million, which included \$457.6 million of capital and minor new works as well as capital items and land acquisitions. This includes expenditure for the majority of Government agencies as the funding for the Territory's capital works program is held within this department. Works completed in 2017-18 for other Government agencies are transferred from this department's balance sheet. This figure is detailed in the following paragraph.

INFRASTRUCTURE PAYMENTS

The department spent \$853.5 million in total infrastructure payments on behalf of the Territory. This includes capital and minor new works of \$457.6 million and \$145.0 million delivered on behalf of the Department of Housing and Community Development. In addition, \$208.0 million in repairs and maintenance delivered on behalf of the department and other Government agencies, \$35.8 million in capital grants and \$7.0 million in infrastructure related consultancies to support the design and delivery of the Territory's infrastructure program.

CASH FLOW MOVEMENT SUMMARY

	2016-17		2017-18		
	Actual \$M	Actual \$M	Final Approved Budget \$M	Variance \$M	Variance %
Cash Flow					
Cash at beginning of year	218.6	269.1	269.1	-	-
Cash received	1,444.6	799.8	780.8	19.0	2.4%
Less cash spent	1,394.1	893.2	863.5	29.7	3.4%
CASH AT END OF REPORTING PERIOD	269.1	175.7	186.4	(10.7)	(5.7%)



FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

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* 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 2018 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

30 August 2018



FAITH HARITOS

Acting Chief Financial Officer

30 August 2018

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2018



COMPREHENSIVE OPERATING STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$'000	2017 \$'000
INCOME			
Grants and subsidies revenue			
Current		439	43
Capital		-	1,000
Appropriation			
Output		288,969	240,034
Commonwealth		18,483	19,045
Sales of goods and services		17,607	17,060
Interest revenue		35	40
Goods and services received free of charge	4	11,433	12,219
Gain on disposal of assets	5	1,395	1,195
Other income		2,017	3,947
TOTAL INCOME	3	340,378	294,583
EXPENSES			
Employee expenses		87,870	88,598
Administrative expenses			
Purchases of goods and services	6	78,556	77,436
Repairs and maintenance		128,273	120,513
Property management		6,622	6,054
Depreciation and amortisation	11, 12	67,364	65,812
Other administrative expenses ⁽¹⁾		18,678	13,790
Grants and subsidies expenses			
Current		6,117	9,270
Capital		35,869	13,159
Community service obligations		-	3,005
Interest expenses		23	19
TOTAL EXPENSES	3	429,372	397,657
NET DEFICIT		(88,994)	(103,074)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to net deficit			
Changes in asset revaluation surplus	20	90,292	3,860,772
Other reserves	20	-	16,249
Transfers from reserves		18,670	(263,724)
TOTAL OTHER COMPREHENSIVE INCOME		108,962	3,613,297
COMPREHENSIVE RESULT		19,968	3,510,223

The Comprehensive Operating Statement is to be read in conjunction with the notes to the financial statements.

(1) Includes DCIS goods and services received free of charge.

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2018

BALANCE SHEET

AS AT 30 JUNE 2018

	Note	2018 \$'000	2017 \$'000
ASSETS			
Current Assets			
Cash and deposits	8	175,742	269,121
Receivables	9	17,657	14,750
Prepayments		1,382	1,154
Assets held for sale	10	38,722	16,832
Total Current Assets		233,503	301,857
Non-Current Assets			
Advances and investments		986	1,401
Property, plant and equipment	11	6,732,120	6,488,130
Heritage and cultural assets	12	271	274
Other assets	13	18,603	17,387
Total Non-Current Assets		6,751,980	6,507,193
TOTAL ASSETS		6,985,483	6,809,050
LIABILITIES			
Current Liabilities			
Deposits held	15	18,649	13,364
Payables	16	16,530	14,576
Borrowings and advances	17	5	5
Provisions	18	12,494	12,045
Other Liabilities		9	-
Total Current Liabilities		47,687	39,989
Non-Current Liabilities			
Borrowings and advances	17	354	358
Total Non-Current Liabilities		354	358
TOTAL LIABILITIES		48,041	40,348
NET ASSETS		6,937,442	6,768,702
EQUITY			
Capital		4,029,521	3,880,749
Reserves	20	3,982,255	3,891,963
Accumulated funds		(1,074,334)	(1,004,009)
TOTAL EQUITY		6,937,442	6,768,702

The Balance Sheet is to be read in conjunction with the notes to the financial statements.

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2018



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Note	Equity at 1 July \$'000	Comprehensive result \$'000	Transactions with owners in their capacity as owners \$'000	Equity at 30 June \$'000
2017-18					
Accumulated Funds		(1,004,009)	(88,994)	-	(1,093,003)
Transfers from reserves		-	18,670	-	18,670
		(1,004,009)	(70,324)	-	(1,074,334)
Reserves		3,891,963	-	-	3,891,963
Asset revaluation reserve		-	90,292	-	90,292
Other reserves		-	-	-	-
	20	3,891,963	90,292	-	3,982,255
Capital – Transactions with Owners		3,880,749			3,880,749
Equity injections					
Capital appropriation		-	-	291,525	291,525
Equity transfers in		-	-	30	30
Other equity injections		-	-	398	398
Specific purpose payments		-	-	17,500	17,500
National partnership payments		-	-	44,544	44,544
Commonwealth – capital		-	-	23,845	23,845
Equity withdrawals					
Capital withdrawal		-	-	(16,651)	(16,651)
Equity transfers out		-	-	(212,419)	(212,419)
		3,880,749	-	148,772	4,029,521
TOTAL EQUITY AT END OF FINANCIAL YEAR		6,768,702	19,968	148,772	6,937,442

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

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2018

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2017

Note	Equity at 1 July \$'000	Comprehensive result \$'000	Transactions with owners in their capacity as owners \$'000	Equity at 30 June \$'000
2016-17				
Accumulated Funds	(637,211)	(103,074)	-	(740,285)
Transfers from reserves	-	(263,724)	-	(263,724)
	(637,211)	(366,798)	-	(1,004,009)
Reserves	14,942	-	-	14,942
Asset revaluation reserve	-	3,860,772	-	3,860,772
Other reserves	-	16,249	-	16,249
20	14,942	3,877,021	-	3,891,963
Capital - Transactions with Owners	1,243,699			1,243,699
Equity injections				
Capital appropriation	-	-	360,634	360,634
Equity transfers in	-	-	2,204,704	2,204,704
Other equity injections	-	-	554,384	554,384
Specific purpose payments	-	-	33,095	33,095
National partnership payments	-	-	115,486	115,486
Commonwealth - capital	-	-	24,571	24,571
Equity withdrawals				
Capital withdrawal	-	-	(467,572)	(467,572)
Equity transfers out	-	-	(188,252)	(188,252)
	1,243,699	-	2,637,049	3,880,749
TOTAL EQUITY AT END OF FINANCIAL YEAR	621,430	3,510,223	2,637,049	6,768,702

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

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2018



CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 \$'000	2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Receipts			
Grants and subsidies received			
Current		439	43
Capital		-	1,000
Appropriation			
Output		288,969	240,034
Commonwealth		18,483	19,045
Receipts from sales of goods and services		93,526	79,319
Interest received		35	40
TOTAL OPERATING RECEIPTS		401,452	339,481
Operating Payments			
Payments to employees		(87,389)	(82,249)
Payments for goods and services		(285,172)	(247,931)
Grants and subsidies paid			
Current		(6,117)	(9,270)
Capital		(35,869)	(13,159)
Community service obligations		-	(3,005)
Interest paid		(23)	(19)
TOTAL OPERATING PAYMENTS		(414,570)	(355,633)
NET CASH USED IN OPERATING ACTIVITIES	21	(13,118)	(16,152)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investing Receipts			
Proceeds from asset sales	5	14,804	15,377
Repayment of advances		467	-
TOTAL INVESTING RECEIPTS		15,271	15,377
Investing Payments			
Purchases of assets		(461,922)	(569,888)
Advances and investing payments		(52)	(965)
TOTAL INVESTING PAYMENTS		(461,974)	(570,852)
NET CASH USED IN INVESTING ACTIVITIES		(446,703)	(555,475)

FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2018

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018 (CONT.)

	Note	2018	2017
		\$'000	\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Financing Receipts			
Deposits received		5,285	1,567
Equity injections			
Capital appropriation		291,525	360,634
Commonwealth appropriation		85,889	173,152
Other equity injections		398	554,384
Total Financing Receipts		383,097	1,089,737
Financing Payments			
Finance lease payments		(5)	(4)
Equity withdrawals		(16,651)	(467,572)
Total Financing Payments		(16,655)	(467,577)
Net Cash From Financing Activities		366,442	622,160
Net increase/(decrease) in cash held		(93,379)	50,534
Cash at beginning of financial year		269,121	218,588
CASH AT END OF FINANCIAL YEAR	8	175,742	269,121

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1. OBJECTIVES AND FUNDING

The Department of Infrastructure, Planning and Logistics works with Territory businesses, industry and the community to plan, regulate, facilitate and construct integrated, sustainable development and works across the Territory. The department also supports a number of statutory committees and boards related to the agency's functions and responsibilities. Additional information on key functional responsibilities of the department can be found in the Performance Finance Summary in the Performance Reporting section of the Annual Report.

The department is predominantly funded by, and is dependent on, the receipt of Parliamentary appropriations. The financial statements encompass all funds through which the agency controls resources to carry on its functions and deliver outputs. For reporting purposes, outputs delivered by the agency are summarised into several output groups. Note 3 provides summary financial information in the form of a Comprehensive Operating Statement by Output Group.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the *Financial Management Act* and related Treasurer's Directions. The *Financial Management Act* requires the Department of Infrastructure, Planning and Logistics to prepare financial statements for the year ended 30 June based on the form determined by the Treasurer. The form of agency financial statements is to include:

- (i) 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 2017-18

The following new and revised accounting standards and interpretations were effective for the first time in 2017-18:

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107

This standard applies to the not-for-profit sector for the first time in 2016-17. The accounting amendment AASB 2016-2 requires the disclosure of information that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

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

On the date of authorisation of the financial statements, the following standards and interpretations were in issue but are not yet effective and are expected to have a potential impact on future reporting periods:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



AASB 16 Leases

AASB 16 Leases is effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20. When the standard is effective it will supersede AASB 117 Leases and requires the majority of leases to be recognised on the Balance Sheet.

For lessees with operating leases, a right-of-use asset will now be included in the Balance Sheet together with a lease liability for all leases with a term of 12 months or more, unless the underlying assets are of low value. The Comprehensive Operating Statement will no longer report operating lease rental payments. Instead a depreciation expense will be recognised relating to the right-to-use asset and interest expense relating to the lease liability.

For lessors, the finance and operating lease distinction remains largely unchanged. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

Consequently, it is expected that operating lease commitments will be required to be recognised in the Balance Sheet through a lease liability and corresponding right to use asset from 2019-20 in accordance with AASB 16 Leases. In the Comprehensive Operating Statement, the operating lease expense will be replaced with a depreciation expense, relating to the right to use asset and interest expense, relating to the lease liability. This cannot be quantified at this time.

AASB 1058 Income for Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

AASB 1058 Income for Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers are effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20.

Under the new AASB 1058 Income for Not-for-Profit Entities, revenue from grants and donations will be recognised when any associated performance obligation to provide goods or services is satisfied, and not immediately upon receipt as currently occurs. Consequently, more liabilities will be recognised in the Balance Sheet after adoption of this standard.

AASB 1058 clarifies and simplifies income-recognition requirements that apply to not-for-profit entities in conjunction with AASB 15 Revenue from Contracts with Customers.

While the full impacts are yet to be determined, potential impacts identified include:

- grants received to construct or acquire a non-financial asset will be recognised as a liability, and subsequently recognised as revenue as the performance obligations under the grant are satisfied. At present, such grants are recognised as revenue on receipt
- grants with an enforceable agreement and sufficiently specific performance obligations will be recognised as revenue progressively as the associated performance obligations are satisfied. At present, such grants are recognised as revenue on receipt
- grants that have an enforceable agreement but no specific performance obligations but have restrictions on the timing of expenditure will also continue to be recognised on receipt as time restriction on the use of funds is not sufficiently specific to create a performance obligation
- grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled.

AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 Service Concession Arrangements: Grantors is effective for annual reporting periods beginning on or after 1 January 2019 and will be reported in these financial statements for the first time in 2019-20.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

AASB 1059 addresses the accounting for arrangements that involve an operator providing public services related to a service concession asset on behalf of a public sector grantor for a specified period of time and managing at least some of those services.

Where a transaction meets the definition of a service concession arrangement, a service concession asset and liability will be recognised on the Balance Sheet and valued in accordance with the new standard.

The Territory's public-private partnership arrangements are currently under review to determine the applicability of AASB 1059 and the full impact of the new standard.

Several other amending standards and AASB interpretations have been issued that apply to future reporting periods, but are considered to have limited impact on future financial 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 Administrative Arrangements Order*.

The principal place of business of the department is 18 – 20 Cavenagh Street Darwin.

d) Agency and Territory Items

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

Central Holding Authority

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

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

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

The Central Holding Authority recognises and records all Territory items, and as such, these items are not included in the agency's financial statements. However, as the agency is accountable for certain Territory items managed on behalf of Government, these items have been separately disclosed in Note 27 – Schedule of Administered Territory Items.

e) Comparatives

Where necessary, comparative information for the 2017–18 financial year has been reclassified to provide consistency with current year disclosures.

f) Presentation and Rounding of Amounts

Amounts in the financial statements and notes to the financial statements are presented in Australian dollars and have been rounded to the nearest thousand dollars, with amounts of \$500 or less being rounded down to zero. Figures in the financial statements and notes may not equate due to rounding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

g) Changes in Accounting Policies

There have been no changes to accounting policies adopted in 2017–18 as a result of management decisions.

h) Accounting Judgments and Estimates

The preparation of the financial report requires the making of judgments and estimates that affect the recognised amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments and estimates that have significant effects on the financial statements are disclosed in the relevant notes to the financial statements.

i) Goods and Services Tax

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the amount of GST incurred on a purchase of goods and services is not recoverable from the Australian Tax

Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable or payable unless otherwise specified.

j) Contributions by and Distributions to Government

The agency may receive contributions from Government where the Government is acting as owner of the agency. Conversely, the agency may make distributions to Government. In accordance with the *Financial Management Act* and Treasurer's Directions, certain types of contributions and distributions, including those relating to administrative restructures, have been designated as contributions by, and distributions to, Government. These designated contributions and distributions are treated by the agency as adjustments to equity.

The Statement of Changes in Equity provides additional information in relation to contributions by, and distributions to, Government.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP

		Infrastructure Investment Program, Support and Delivery	Lands and Planning	Logistics Infrastructure and Services	Strategy, Policy and Legislation	Northern Territory Planning Commission	Corporate and Governance	Total
	Note	2018	2018	2018	2018	2018	2018	2018
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME								
Grants and subsidies revenue								
Current		-	-	439	-	-	-	439
Capital		-	-	-	-	-	-	-
Appropriation								
Output		38,265	38,863	192,190	2,422	374	16,855	288,969
Commonwealth		-	-	18,483	-	-	-	18,483
Sales of goods and services		-	3,762	13,264	-	-	581	17,607
Interest revenue		-	24	-	11	-	-	35
Goods and services received free of charge	4	-	-	-	-	-	11,433	11,433
Gain on disposal of assets	5	-	1,373	22	-	-	-	1,395
Other income		15	1,581	401	1	-	19	2,017
TOTAL INCOME		38,280	45,603	224,799	2,434	374	28,888	340,378
EXPENSES								
Employee expenses		22,950	18,068	35,990	1,827	90	8,945	87,870
Administrative expenses								
Purchases of goods and services	6	3,544	8,481	61,717	693	182	3,939	78,556
Repairs and maintenance		1,369	12,700	114,204	-	-	-	128,273
Property management		180	3,409	2,284	11	4	734	6,622
Depreciation and amortisation	11, 12	1,294	4,807	61,015	136	-	112	67,364
Other administrative expenses		1	5,973	1,272	-	-	(1)	7,245
Grants and subsidies expenses								
Current		-	1,667	4,298	152	-	-	6,117
Capital		11,429	1,023	23,417	-	-	-	35,869
Community service obligations		-	-	-	-	-	-	-
Goods and services received free of charge		-	-	-	-	-	11,433	11,433
Interest expenses		-	-	-	-	-	23	23
TOTAL EXPENSES		40,767	56,128	304,197	2,819	276	25,185	429,372
NET SURPLUS/(DEFICIT)		(2,487)	(10,525)	(79,398)	(385)	98	3,703	(88,994)
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified to net deficit								
Changes in asset revaluation surplus		-	84,673	5,619	-	-	-	90,292
Other reserves		-	-	-	-	-	-	-
Transfers from Reserves		-	18,670	-	-	-	-	18,670
TOTAL OTHER COMPREHENSIVE INCOME		-	103,343	5,619	-	-	-	108,962
COMPREHENSIVE RESULT		(2,487)	92,818	(73,779)	(385)	98	3,703	19,968

This Comprehensive Operating Statement by output group is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP (CONT.)

		Infrastructure Investment Program, Support and Delivery	Lands and Planning	Logistics Infrastructure and Services	Strategy, Policy and Legislation	Northern Territory Planning Commission	Corporate and Governance	Total
	Note	2017	2017	2017	2017	2017	2017	2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME								
Grants and subsidies revenue								
Current		-	-	43	-	-	-	43
Capital		-	-	-	-	-	1,000	1,000
Appropriation								
Output		24,315	35,832	158,494	2,998	506	17,889	240,034
Commonwealth		-	-	19,045	-	-	-	19,045
Sales of goods and services		60	4,084	12,333	-	-	583	17,060
Interest revenue		-	20	-	20	-	-	40
Goods and services received free of charge	4	3,039	2,550	5,029	164	16	1,421	12,219
Gain on disposal of assets	5	-	1,158	37	-	-	-	1,195
Other income		35	1,439	730	1	-	1,742	3,947
TOTAL INCOME		27,449	45,083	195,711	3,183	522	22,635	294,583
EXPENSES								
Employee expenses		21,935	18,074	35,041	1,421	172	11,955	88,598
Administrative expenses								
Purchases of goods and services	6	3,262	7,660	59,938	1,032	103	5,441	77,436
Repairs and maintenance		12,566	6,642	101,305	-	-	-	120,513
Property management		206	3,078	2,132	18	2	618	6,054
Depreciation and amortisation	11, 12	1,344	4,753	59,579	136	-	-	65,812
Other administrative expenses		2	1,599	22	-	-	(51)	1,572
Grants and subsidies expenses								
Current		-	1,582	7,536	152	-	-	9,270
Capital		600	4,227	8,332	-	-	-	13,159
Community service obligations		-	3,005	-	-	-	-	3,005
Goods and services received free of charge		3,039	2,550	5,029	164	16	1,421	12,219
Interest expenses		-	-	-	-	-	19	19
TOTAL EXPENSES		42,954	53,170	278,914	2,923	293	19,403	397,657
NET SURPLUS/(DEFICIT)		(15,505)	(8,087)	(83,203)	260	229	3,232	(103,074)
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified to net deficit								
Changes in asset revaluation surplus		-	767,881	3,092,891	-	-	-	3,860,772
Other reserves		-	16,249	-	-	-	-	16,249
Transfers from Reserves		-	80,616	(344,340)	-	-	-	(263,724)
TOTAL OTHER COMPREHENSIVE INCOME		-	864,746	2,748,551	-	-	-	3,613,297
COMPREHENSIVE RESULT		(15,505)	856,659	2,665,348	260	229	3,232	3,510,223

This Comprehensive Operating Statement by output group is to be read in conjunction with the notes to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP (CONT.)

Income

Income encompasses both revenue and gains.

Income is recognised at the fair value of the consideration received, exclusive of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration being exchanged are not recognised as income.

Grants and Other Contributions

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the agency obtains control over the assets comprising the contributions. Control is normally obtained upon receipt.

Contributions are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Appropriation

Output appropriation is the operating payment to each agency for the outputs they provide and is calculated as the net cost of agency outputs after taking into account funding from agency income. It does not include any allowance for major non-cash costs such as depreciation.

Commonwealth appropriation follows from the Intergovernmental Agreement on Federal Financial Relations, resulting in Specific Purpose Payments (SPPs) and National Partnership (NP) payments being made by the Commonwealth Treasury to state treasuries, in a manner similar to arrangements for GST payments. These payments are received by the Department of Treasury and Finance on behalf of the Central Holding Authority and then on passed to the relevant agencies as Commonwealth appropriation.

Revenue in respect of appropriations is recognised in the period in which the agency gains control of the funds.

Sale of Goods

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer
- the agency retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the agency and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of Services

Revenue from rendering services is recognised by reference to the stage of completion of the contract. The revenue is recognised when:

- the amount of revenue, stage of completion and transaction costs incurred can be reliably measured and
- it is probable that the economic benefits associated with the transaction will flow to the entity.

Interest Revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

Goods and Services Received Free of Charge

Goods and services received free of charge are recognised as revenue when a fair value can be reliably determined and the resource would have been purchased if it had not been donated. Use of the resource is recognised as an expense.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



3. COMPREHENSIVE OPERATING STATEMENT BY OUTPUT GROUP (CONT.)

Disposal of Assets

A gain or loss on disposal of assets is included as a gain or a loss on the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal. Refer also to Note 5.

Contributions of Assets

Contributions of assets and contributions to assist in the acquisition of assets, being non-reciprocal transfers, are recognised, unless

otherwise determined by Government, as gains when the agency obtains control of the asset or contribution. Contributions are recognised at the fair value received or receivable.

Administered Income

The agency collects taxes, fines and regulatory fees on behalf of the Territory. The agency does not gain control over assets arising from these collections, consequently no income is recognised in the agency's financial statements. Accordingly, these amounts are disclosed as income in Note 27 Schedule of Administered Territory Items.

4. GOODS AND SERVICES RECEIVED FREE OF CHARGE

	2018	2017
	\$'000	\$'000
Department of Corporate and Information Services	11,433	12,219
TOTAL GOODS AND SERVICES RECEIVED FREE OF CHARGE	11,433	12,219

5. GAIN ON DISPOSAL OF ASSETS

Net proceeds from the disposal of non-current assets ⁽¹⁾	14,804	15,377
Less: Carrying value of non-current assets disposed	(13,431)	(14,219)
Gain on the disposal of non-current assets	1,373	1,158
Proceeds from sale of minor assets	22	37
TOTAL GAIN ON DISPOSAL OF ASSETS	1,395	1,195

(1) Includes the sales from Land Held for Sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

6. PURCHASES OF GOODS AND SERVICES

	2018	2017
	\$'000	\$'000
The net deficit has been arrived at after charging the following expenses:		
Goods and services expenses:		
Agency service arrangements – (mainly bus contracts)	49,650	47,746
Information technology charges	10,726	11,101
Motor vehicle expenses	2,569	2,723
Consultants ⁽¹⁾	2,046	3,968
Communications	1,614	1,678
Legal expenses ⁽³⁾	1,509	663
Survey, drafting and drilling	1,162	1,127
Insurance	974	2
Training and study	944	868
Marketing and promotion ⁽²⁾	873	868
Memberships	828	1,138
Freight	770	668
Bank charges	662	428
Official duty fares	483	661
Regulatory, Advisory boards, committees	396	353
Accommodation	312	370
Travelling allowance	299	364
Document production	222	173
Advertising ⁽⁴⁾	162	162
Recruitment ⁽⁵⁾	88	90
Other	2,267	2,285
TOTAL	78,556	77,436

(1) Includes marketing, promotion and IT consultants.

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

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

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

(5) Includes recruitment-related advertising costs.

Repairs and Maintenance Expense

Funding is received for repairs and maintenance works associated with agency assets as part of output appropriation. Costs associated with repairs and maintenance works on agency assets are expensed as incurred.

Interest Expense

Interest expenses include interest and finance lease charges. Interest expenses are expensed in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



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

	Agency		Territory Items		Agency		Territory Items	
	2018	No. of Trans.	2018	No. of Trans.	2017	No. of Trans.	2017	No. of Trans.
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Write-offs, Postponements and Waivers Under the Financial Management Act								
Represented by:								
<i>Amounts written off, postponed and waived by Delegates</i>								
Irrecoverable amounts payable to the Territory or an agency written off	-	1	-	-	8	8	1	2
Losses or deficiencies of money written off	1	6	-	-	-	-	-	-
Public property written off	-	-	-	-	-	-	-	-
Waiver or postponement of right to receive or recover money or property	-	-	-	-	-	-	-	-
Total Written Off, Postponed and Waived by Delegates	1	7	-	-	8	8	1	2
<i>Amounts written off, postponed and waived by the Treasurer</i>								
Irrecoverable amounts payable to the Territory or an agency written off	14	3	-	-	-	-	-	-
Losses or deficiencies of money written off	-	-	-	-	-	-	-	-
Public property written off	535	3	-	-	-	-	-	-
Waiver or postponement of right to receive or recover money or property	-	-	-	-	-	-	-	-
Total Written Off, Postponed and Waived by the Treasurer	549	6	-	-	-	-	-	-
Write-offs, Postponements and Waivers Authorised Under Other Legislation	-	-	-	-	-	-	-	-
Gifts Under the Financial Management Act	-	-	-	-	-	-	-	-
Gifts Authorised Under Other Legislation ^(a)	5,407	8	-	-	1,500	1	-	-
Ex Gratia Payments Under the Financial Management Act	-	-	-	-	-	-	-	-

(a) Gifted under provisions of the Crown Lands Act.

8. CASH AND DEPOSITS

	2018	2017
	\$'000	\$'000
Cash on hand	26	28
Cash at bank	175,716	269,093
TOTAL CASH AND DEPOSITS	175,742	269,121

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 26.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

9. RECEIVABLES

	2018	2017
	\$'000	\$'000
Current		
Accounts receivable	6,719	6,872
Less: Allowance for impairment losses	(1,465)	(177)
	5,254	6,695
GST receivables	12,210	8,028
Other receivables	193	27
TOTAL RECEIVABLES	17,657	14,750

Receivables include accounts receivable and other receivables and are recognised at fair value less any allowance for impairment losses.

The allowance for impairment losses represents the amount of receivables the agency estimates are likely to be uncollectible and are considered doubtful. Analyses of the age of the receivables that are past due as at the reporting date are disclosed in an aging schedule under credit risk in Note 22 Financial Instruments. Reconciliation of changes in the allowance accounts is also presented.

Accounts receivable are generally settled within 30 days and other receivables within 30 days.

Prepayments

Prepayments represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Advances and Investments

Advances and investments include the Home Building Certification Fund (HBCF). The HBCF provides cover to policy holders in the event that building works are non-compliant with the National Construction Code of Australia from a period of ten years from the completion of the building. The fund was managed by the Territory Insurance Office (TIO) on behalf of the Northern Territory Government since inception. On 31 December 2012 the HBCF ceased issuing new policies and was replaced by the Residential Building Cover package. During 2012-13, the agency provided a loan to the Master Builders Association (NT) towards the Fidelity Fund Scheme for Residential Building Cover. As of 1 July 2013 the HBCF is in run-off and is managed by the agency, with policies under the HBCF remaining valid until the ten year cover period expires.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



10. ASSETS HELD FOR SALE

	2018	2017
	\$'000	\$'000
Land ⁽¹⁾	38,722	16,832
TOTAL ASSETS HELD FOR SALE	38,722	16,832

(1) Land held for sale consists of those assets which it has been determined are available for sale in their present condition, and their sale is highly probable within the next twelve months.

Assets Held for Sale

Assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction or a grant agreement rather than continuing use. Assets held for sale consist of those assets that management has determined are available for immediate sale or granting in their present condition and their sale is highly probable within one year from the date of classification.

These assets are measured at the lower of the asset's carrying amount and fair value less costs to sell. These assets are not depreciated. Non-current assets held for sale have been recognised on the face of the financial statements as current assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11. PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$'000	\$'000
Land		
At fair value	948,443	880,200
Buildings		
At fair value	175,692	171,677
Less: Accumulated depreciation	(124,884)	(120,862)
	50,808	50,815
Infrastructure		
At fair value	8,056,520	7,896,336
Less: Accumulated depreciation	(3,189,471)	(3,126,578)
	4,867,049	4,769,758
Construction (Work in Progress)		
At capitalised cost	858,213	778,723
Plant and Equipment		
At fair value	14,445	16,789
Less: Accumulated depreciation	(8,703)	(9,528)
	5,742	7,261
Computer Software		
At capitalised cost	5,280	4,477
Less: Accumulated depreciation	(3,845)	(3,542)
	1,435	935
Computer Hardware		
At capitalised cost	1,525	1,488
Less: Accumulated depreciation	(1,450)	(1,432)
	75	56
Transport Equipment		
At capitalised cost	116	116
Less: Accumulated depreciation	(100)	(83)
	16	33
Land Under Finance Lease		
At capitalised cost	401	401
Less: Accumulated depreciation	(62)	(52)
	339	349
TOTAL PROPERTY, PLANT AND EQUIPMENT	6,732,120	6,488,130

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



11. PROPERTY, PLANT AND EQUIPMENT (CONT.)

2018 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2017-18 is set out below:

	Land	Buildings	Infrastructure	Construction (Work in Progress)	Plant and Equipment	Computer Software	Computer Hardware	Transport Equipment	Land Under Finance Lease	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount as at 1 July 2017	880,200	50,815	4,769,758	778,723	7,261	935	56	33	349	6,488,130
Additions	5,619	-	-	454,434	171	448	37	-	-	460,709
Disposals	(13,431)	-	-	-	-	-	-	-	-	(13,431)
Depreciation	-	(4,023)	(62,157)	-	(833)	(303)	(18)	(17)	(10)	(67,361)
Additions/(Disposals) from asset transfers	(12,207)	4,016	153,830	(374,944)	(322)	355	-	-	-	(229,272)
Revaluation increments/ (decrements)	110,152	-	5,618	-	-	-	-	-	-	115,770
Impairment loss	-	-	-	-	(535)	-	-	-	-	(535)
Transfer to/from assets held for sale	(21,890)	-	-	-	-	-	-	-	-	(21,890)
CARRYING AMOUNT AS AT 30 JUNE 2018	948,443	50,808	4,867,049	858,213	5,742	1,435	75	16	339	6,732,120

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11. PROPERTY, PLANT AND EQUIPMENT (CONT.)

2017 Property, Plant and Equipment Reconciliations

A reconciliation of the carrying amount of property, plant and equipment at the beginning and end of 2016–17 is set out below:

	Land	Buildings	Infrastructure	Construction (Work in Progress)	Plant and Equipment	Computer Software	Computer Hardware	Transport Equipment	Land Under Finance Lease	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount as at 1 July 2016	6,480	10,817	-	399,310	2,386	-	9	-	359	419,361
Additions	950	-	-	569,266	651	532	61	20	-	571,480
Disposals	(14,219)	-	-	-	-	-	-	-	-	(14,219)
Depreciation	-	(3,584)	(60,714)	-	(1,066)	(393)	(14)	(28)	(10)	(65,809)
Additions from administrative restructuring	862,887	42,634	4,548,520	248,752	6,463	265	-	41	-	5,709,562
Additions/(Disposals) from asset transfers	15,717	2,710	230,411	(438,605)	(1,173)	531	-	-	-	(190,409)
Revaluation increments/(decrements)	(925)	(1,762)	51,541	-	-	-	-	-	-	48,854
Transfer to/from assets held for sale	9,310	-	-	-	-	-	-	-	-	9,310
CARRYING AMOUNT AS AT 30 JUNE 2017	880,200	50,815	4,769,758	778,723	7,261	935	56	33	349	6,488,130

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



11. PROPERTY, PLANT AND EQUIPMENT (CONT.)

Acquisitions

All items of property, plant and equipment with a cost, or other value, equal to or greater than \$10 000 are recognised in the year of acquisition and depreciated as outlined below. Items of property, plant and equipment below the \$10 000 threshold are expensed in the year of acquisition.

The construction cost of property, plant and equipment includes the cost of materials and direct labour, and an appropriate proportion of fixed and variable overheads.

Complex Assets

Major items of plant and equipment comprising a number of components that have different useful lives, are accounted for as separate assets. The components may be replaced during the useful life of the complex asset.

Subsequent Additional Costs

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the agency in future years. Where these costs represent separate components of a complex asset, they are accounted for as separate assets and are separately depreciated over their expected useful lives.

Construction (Work in Progress)

As part of the financial management framework, the department is responsible for managing general Government capital works projects on a whole of Government basis. Therefore appropriation for all capital works is provided directly to the agency and the cost of construction work in progress is recognised as an asset of the agency. Once completed, capital works assets are transferred to the relevant Northern Territory Government agency. On transfer the capital works are either capitalised to the agency's Fixed Asset Register to the extent they meet capitalisation criteria,

expensed, or where undertaken for other parties such as Local Government or Councils are gifted as capital grants (for example, Commonwealth funded Black Spot works on council roads).

Land Under Roads

Land under roads is land roadways and road reserves including land under footpaths, nature strips and median strips. The department has elected to recognise all land under roads in accordance with AASB 116 where all the asset recognition criteria have been met.

Revaluations and Impairment

Revaluation of Assets

Subsequent to initial recognition, assets belonging to the following classes of non-current assets are revalued with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at reporting date:

- land;
- buildings;
- infrastructure assets;
- heritage and cultural assets;

Land is generally revalued to Unimproved Capital Value (UCV). Utilising a three year rolling revaluation plan, most land is revalued annually to UCV which is deemed to equate to fair value.

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arms-length transaction.

The fair value of the agency's infrastructure assets is based on their current replacement cost.

Plant and equipment are stated at historical cost less depreciation, which is deemed to equate to fair value.

The unique nature of some of the heritage and cultural assets may preclude reliable measurement. Such assets have not been recognised in the financial statements.

Refer to Note 14: Fair Value Measurement of Non-Financial Assets for additional disclosures.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11. PROPERTY, PLANT AND EQUIPMENT (CONT.)

Impairment of Assets

An asset is said to be impaired when the asset's carrying amount exceeds its recoverable amount.

Non-current physical and intangible agency assets are assessed for indicators of impairment on an annual basis or whenever there is indication of impairment. If an indicator of impairment exists, the agency determines the asset's recoverable amount. The asset's recoverable amount is determined as the higher of the asset's current replacement cost and fair value less costs to sell. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Impairment losses are recognised in the Comprehensive Operating Statement. They are disclosed as an expense unless the asset is carried at a revalued amount. Where the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus for that class of asset to the extent that an available balance exists in the asset revaluation surplus.

In certain situations, an impairment loss may subsequently be reversed. Where an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of

its recoverable amount. A reversal of an impairment loss is recognised in the Comprehensive Operating Statement as income, unless the asset is carried at a revalued amount, in which case the impairment reversal results in an increase in the asset revaluation surplus. Note 20 provides additional information in relation to the asset revaluation surplus.

Agency property, plant and equipment assets were assessed for impairment as at 30 June 2018. No impairment adjustments were required as a result of this review.

Depreciation and Amortisation Expense

Items of property, plant and equipment, including buildings but excluding land, have limited useful lives and are depreciated or amortised using the straight-line method over their estimated useful lives.

Amortisation applies in relation to intangible non-current assets with limited useful lives and is calculated and accounted for in a similar manner to depreciation.

The estimated useful lives for each class of asset are in accordance with the Treasurer's Directions as outlined below except for transport related infrastructure assets where the NT Department of Treasury and Finance have approved the use of non-prescribed useful lives where relevant:

	2018	2017
Buildings	20 - 50 years	20 - 50 years
Infrastructure		
Bridges	70 years	70 years
Sealed pavement	40 years	40 years
Unsealed pavement	8 years	8 years
Road formation	Infinite - not depreciated	Infinite - not depreciated
Street lights and traffic control systems	15 - 20 years	15 - 20 years
Transport assets	5 - 50 years	5 - 50 years
Plant and Equipment ⁽¹⁾	2 - 15 years	2 - 15 years
Leased Plant and Equipment	Lease term	Lease term
Aboriginal Land Under Finance Lease	40 years	40 years
Heritage and Cultural Assets	100 years	100 years

(1) Includes computer software, computer hardware and transport equipment.

Assets are depreciated or amortised from the date of acquisition or from the time an asset is completed and held ready for use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



12. HERITAGE AND CULTURAL ASSETS

	2018	2017
	\$'000	\$'000
Carrying amount		
At fair value	320	320
Less: Accumulated depreciation	(49)	(46)
Written down value – 30 June	271	274
Reconciliation of movements		
Carrying amount as at 1 July	274	-
Additions from Administrative Restructuring	-	277
Depreciation	(3)	(3)
Carrying amount as at 30 June	271	274

Heritage and Cultural Assets Valuation

Refer to Note 14: Fair Value measurement of Non-Financial Assets for additional disclosures.

The fair value of these assets was determined based on any restrictions on asset use. Where reliable market values were not available, the fair value of agency assets was based on their current replacement cost.

Impairment of Heritage and Cultural assets

Agency heritage and cultural assets were assessed for impairment as at 30 June 2018. No impairment adjustments were required as a result of this review.

Leased Assets

Leases under which the agency assumes substantially all the risks and rewards of ownership of an asset are classified as finance leases. Other leases are classified as operating leases.

Finance Leases

Finance leases are capitalised. A lease asset and lease liability equal to the lower of the fair value of the leased property and present value of the minimum lease payments, each determined at the inception of the lease, are recognised.

Lease payments are allocated between the principal component of the lease liability and the interest expense.

Operating Leases

Operating lease payments made at regular intervals throughout the term are expensed when the payments are due, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property. Lease incentives under an operating lease of a building or office space is recognised as an integral part of the consideration for the use of the leased asset. Lease incentives are to be recognised as a deduction of the lease expenses over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

13. OTHER ASSETS

Leases as a Lessor

The agency has a 99 year lease arrangement for the Port of Darwin. External advice sought on the classification and accounting for the lease arrangement determined that the lease was a finance lease in accordance with AASB 117. As a result the agency de-recognised the Port land and infrastructure and recognised the net investment in the leased assets as a finance lease receivable. The net investment represents the agency's gross investment in the lease discounted at the implicit interest rate. Finance lease income will be recognised periodically.

The Territory (through the former Department of Lands, Planning and Environment) entered into a 99-year lease agreement with Landbridge Group to lease land assets and interest in the Port of Darwin.

A lease premium amounting to \$391 million was received in advance. The lease also provides for the receipt of incremental contingent rentals where a revenue-based threshold is exceeded. No contingent rental was received during the year.

Under the terms of the lease, the leased assets will revert to the Territory at the end of 99 years. The Port lessee has the majority of the risks and rewards associated with ownership of the leased assets. Therefore the assets have been derecognised and a finance lease receivable recognised representing a residual interest in the leased assets.

	2018	2017
	\$'000	\$'000
Finance lease receivable	18,603	17,387
<i>Future minimum lease receipts under the finance lease are receivable for each of the of the following periods:</i>		
Not later than one year	1,303	1,218
Between one and five years	6,190	5,786
Later than five years	13,197,127	13,198,833
Gross investment in the lease	13,223,223	13,223,223
Less: Unearned finance income	(13,204,620)	(13,205,836)
NET INVESTMENT IN THE LEASE	18,603	17,387

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 2018, no impairment losses have been recorded on the finance lease receivables.

On 30 June 2017, the Territory Government agreed to retain the 20 per cent equity interest in the Port of Darwin. Under the revised terms of the shareholding, the Territory does not have any right to participate in the distributions of capital or income of the Port of Darwin group trusts.

Although the 20 per cent equity interest does not satisfy criteria for consolidation or recognition as a joint venture or associate, it is considered a financial asset.

This financial asset has been initially measured at fair value based on expected cashflows and for 2017-18 is valued at nil. The financial asset may be subsequently re-measured for any changes in fair value in future reporting periods.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



14. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS

a) Fair Value Hierarchy

Fair values of non-financial assets categorised by levels of inputs used to compute fair value are:

	Level 1	Level 2	Level 3	Total Fair Value
	\$'000	\$'000	\$'000	\$'000
2017-18				
Asset Classes				
Land (Note 11)	-	948,443	-	948,443
Buildings (Note 11)	-	-	50,808	50,808
Infrastructure (Note 11)	-	-	4,867,049	4,867,049
Plant and Equipment (Note 11)	-	-	7,268	7,268
Heritage and Cultural Assets (Note 12)	-	-	271	271
Assets Held for Sale (Note 10)	-	38,722	-	38,722
TOTAL	-	987,165	4,925,396	5,912,561

	Level 1	Level 2	Level 3	Total Fair Value
	\$'000	\$'000	\$'000	\$'000
2016-17				
Asset Classes				
Land (Note 11)	-	880,200	-	880,200
Buildings (Note 11)	-	-	50,815	50,815
Infrastructure (Note 11)	-	-	4,769,758	4,769,758
Plant and Equipment (Note 11)	-	-	8,285	8,285
Heritage and Cultural Assets (Note 12)	-	-	274	274
Assets Held for Sale (Note 10)	-	16,832	-	16,832
TOTAL	-	897,032	4,829,132	5,726,164

There were no transfers between Level 1 and Levels 2 or 3 during 2017-18.

b) Valuation Techniques and Inputs

Valuation techniques used to measure fair value in 2017-18 are:

	Level 2	Level 3
	Techniques	Techniques
Asset Classes		
Land	Market	-
Buildings	-	Cost
Infrastructure	-	Cost
Plant and Equipment	-	Cost
Heritage and Cultural Assets	-	Cost
Assets Held for Sale	Market	-



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

14. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (CONT.)

Level 2 fair values of land were based on market evidence of sales price per square metre of comparable land.

Level 3 fair values of specialised buildings and infrastructure were determined by computing their current replacement costs because an active market does not exist for such facilities. The current replacement cost was based on a combination of internal records of the historical cost of the facilities, adjusted for contemporary technology and construction approaches. Significant judgement was also used in assessing the remaining service potential of the facilities, given local environment conditions, projected usage, and records of the current condition of the facilities.

Transport related infrastructure assets were revalued as at 30 June 2017. Aquenta Consulting Pty Ltd, civil construction cost estimation service professionals, provided unit rates representative of NT current industry standard market rates for this revaluation.

Buildings and Heritage and Cultural assets have been valued on a current replacement cost basis. Plant and Equipment, Computer Software and Hardware are based on depreciated cost, and assessed for impairment on an annual basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



14. FAIR VALUE MEASUREMENT OF NON-FINANCIAL ASSETS (CONT.)

c) Additional Information for Level 3 Fair Value Measurements

i) Reconciliation of Recurring Level 3 Fair Value Measurements

	Buildings	Infrastructure	Plant and Equipment	Heritage and Cultural	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2017-18					
Fair value as at 1 July 2017	50,815	4,769,758	8,285	274	4,829,132
Additions	4,016	153,830	689	-	158,535
Disposals	-	-	-	-	-
Transfers from Level 2	-	-	-	-	-
Transfers to Level 2	-	-	-	-	-
Depreciation	(4,023)	(62,157)	(1,171)	(3)	(67,354)
Gains/losses recognised in net surplus/deficit	-	-	(535)	-	(535)
Gains/losses recognised in other comprehensive income	-	5,618	-	-	5,618
FAIR VALUE AS AT 30 JUNE 2018	50,808	4,867,049	7,268	271	4,925,396

	Buildings	Infrastructure	Plant and Equipment	Heritage and Cultural	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2016-17					
Fair value as at 1 July 2016	10,817	-	2,395	-	13,212
Additions	47,757	4,778,931	7,921	277	4,834,886
Disposals	(2,413)	-	(530)	-	(2,943)
Transfers from Level 2	-	-	-	-	-
Transfers to Level 2	-	-	-	-	-
Depreciation	(3,584)	(60,714)	(1,501)	(3)	(65,802)
Gains/losses recognised in net surplus/deficit	-	-	-	-	-
Gains/losses recognised in other comprehensive income	(1,762)	51,541	-	-	49,779
FAIR VALUE AS AT 30 JUNE 2017	50,815	4,769,758	8,285	274	4,829,132

(ii) Sensitivity analysis

Given the large number of agency assets, it is not practical to compute a relevant summary measure for the unobservable inputs. In respect of sensitivity of fair value to changes in input value, a higher historical cost would generally result in a higher fair value and greater consumption of economic benefit lowers fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

15. DEPOSITS HELD

	2018	2017
	\$'000	\$'000
Recoverable works	11,493	7,977
Accountable officers trust account	1,654	1,402
Land sales deposits	2,634	1,330
Other deposits held	2,868	2,655
TOTAL DEPOSITS HELD	18,649	13,364

Deposits held includes the Accountable Officers Trust Account (AOTA), clearing monies and non-Government works, which consist of financial obligations payable within the next twelve months. The AOTA is for the receipt of monies to be held in trust in accordance with Section 7 of the *Financial Management Act*. Clearing monies are public monies held in transit. Non-Government works are transactions relating to a recoverable works project which will not become a Northern Territory Government asset upon completion. Refer also to Note 26.

16. PAYABLES

	2018	2017
	\$'000	\$'000
Accounts payable	484	1,311
Accrued expenses	12,671	8,677
Accrued expenses – works in progress	3,375	4,587
Other payables	-	1
TOTAL PAYABLES	16,530	14,576

Liabilities for accounts payable and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the agency. Accounts payable are normally settled within 30 days.

17. BORROWING AND ADVANCES

	2018	2017
	\$'000	\$'000
Current		
Finance leases on Aboriginal land	5	5
	5	5
Non-Current		
Finance lease on Aboriginal land	354	358
	354	358
TOTAL BORROWINGS AND ADVANCES	359	363

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



18. PROVISIONS

	2018	2017
	\$'000	\$'000
Current		
<i>Employee benefits</i>		
Recreation leave	9,392	9,011
Leave loading	1,361	1,322
Other employee benefits	171	198
<i>Other current provisions</i>		
Other provisions	1,570	1,514
TOTAL PROVISIONS	12,494	12,045

The agency employed 740 full time employees as at 30 June 2018 (736 full time employees as at 30 June 2017).

Employee Benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries and recreation leave. Liabilities arising in respect of wages and salaries, recreation leave and other employee benefit liabilities that fall due within twelve months of reporting date are classified as current liabilities and are measured at amounts expected to be paid.

No provision is made for sick leave, which is non-vesting, as the anticipated pattern of future sick leave to be taken is less than the entitlement accruing in each reporting period.

Employee benefit expenses are recognised on a net basis in respect of the following categories:

- wages and salaries, non-monetary benefits, recreation leave, sick leave and other leave entitlements; and
- other types of employee benefits.

As part of the financial management framework, the Central Holding Authority assumes the long service leave liabilities of Government agencies, including the Department of Infrastructure, Planning and Logistics and as such no long service leave liability is recognised in the agency's financial statements.

Superannuation

Employees' superannuation entitlements are provided through the:

- Northern Territory Government and Public Authorities Superannuation Scheme (NTGPASS);
- Commonwealth Superannuation Scheme (CSS); or
- non-government employee-nominated schemes for those employees commencing on or after 10 August 1999.

The agency makes superannuation contributions on behalf of its employees to the Central Holding Authority or non-government employee-nominated schemes. Superannuation liabilities related to government superannuation schemes are held by the Central Holding Authority and as such are not recognised in the agency's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

19. COMMITMENTS

Disclosures in relation to capital and other commitments, including lease commitments. Commitments are those contracted as at 30 June where the amount of the future commitment can be reliably measured.

	2018		2017	
	Internal(a)	External	Internal(a)	External
	\$'000	\$'000	\$'000	\$'000

(i) Capital Expenditure Commitments

Capital expenditure commitments primarily related to the construction of buildings, infrastructure and road networks. Capital expenditure commitments contracted for at balance date but not recognised as liabilities are payable as follows:

Within one year	-	278,328	-	157,777
Later than one year and not later than five years	-	41,485	-	21,912
Later than five years	-	-	-	-
	-	319,813	-	179,689

(ii) Operating Lease Commitments

The agency leases property under non-cancellable operating leases expiring from 1 to 5 years. Leases generally provide the agency with a right of renewal at which time all lease terms are renegotiated. The agency also leases items of plant and equipment under non-cancellable operating leases. Future operating lease commitments not recognised as liabilities are payable as follows:

Within one year	1,401	-	1,385	-
Later than one year and not later than five years	1,596	-	1,428	-
Later than five years	-	-	-	-
	2,997	-	2,813	-

(iii) Other Expenditure Commitments

Other non-cancellable expenditure commitments not recognised as liabilities are payable as follows:

Within one year	-	41,752	-	49,861
Later than one year and not later than five years	-	11,948	-	45,069
Later than five years	-	-	-	-
	-	53,700	-	94,930

(a) Internal commitments are to entities controlled by the Northern Territory Government whereas external commitments are to third parties external to the Northern Territory Government.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



20. RESERVES

	2018	2017
	\$'000	\$'000
Asset Revaluation Surplus		
<i>(i) Nature and purpose of the asset revaluation surplus</i>		
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.		
<i>(ii) Movements in the asset revaluation surplus</i>		
Balance as at 1 July	3,891,963	14,942
Increment – land	103,343	778,806
Increment – buildings	140	12,380
Increment – infrastructure	5,479	3,078,442
Transfer to accumulated funds - land	(18,670)	(8,856)
	90,292	3,860,772
<i>(iii) Movements in other reserves</i>		
Increment – other	-	16,249
	-	16,249
Net Movements	90,292	3,877,021
BALANCE AS AT 30 JUNE	3,982,255	3,891,963

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

21. NOTES TO THE CASH FLOW STATEMENT

	2018	2017
	\$'000	\$'000

a) Reconciliation of Cash

The total of agency 'Cash and deposits' of \$175,742,447 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

Net Deficit	(88,994)	(103,074)
<i>Non-cash items:</i>		
Depreciation and amortisation	67,364	65,812
Asset write-offs/write-downs	535	-
Asset donations/gifts	5,407	1,500
Gain on disposal of assets	(1,373)	(1,158)
Repairs and maintenance/Minor new works	4,669	16,482
<i>Changes in assets and liabilities:</i>		
(Increase) in receivables	(2,908)	(9,566)
(Increase) in prepayments	(227)	(71)
(Increase) in other assets	(1,216)	(1,138)
Increase in payables	3,167	9,103
Increase in provision for employee benefits	393	5,265
Increase in other provisions	56	693
Increase in other liabilities	9	-
NET CASH FROM OPERATING ACTIVITIES	(13,118)	(16,152)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



21. NOTES TO THE CASH FLOW STATEMENT (CONT.)

b) Reconciliation of Liabilities Arising From Financing Activities

2017-18	Cash Flows					Non Cash		
	1 July	Deposits Received	Finance Lease	Appropriation	Equity Injection / Withdrawals	Total Cash Flows	Other Equity Related Changes	Total Non-Cash
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Deposits Held	13,364	5,285	-	-	-	5,285	-	-
Borrowings	363	-	(4)	-	-	(4)	-	-
Provisions	12,045	-	-	-	-	-	-	-
Equity Injections/Withdrawals	-	-	-	377,414	(16,253)	361,161	(212,389)	(212,389)
TOTAL	25,772	5,285	(4)	377,414	(16,253)	366,442	(212,389)	(211,940)
								180,274

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised on the Balance Sheet when the agency becomes a party to the contractual provisions of the financial instrument. The agency's financial instruments include cash and deposits, receivables, advances, 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.

Exposure to interest rate risk, foreign exchange risk, credit risk, price risk and liquidity risk arise in the normal course of activities. The agency's investments, loans and placements, and borrowings are predominantly managed through the Northern Territory Treasury Corporation (NTTC) adopting strategies to minimise the risk. Derivative financial arrangements are also utilised to manage financial risks inherent in the management of these financial instruments. These arrangements include swaps, forward interest rate agreements and other hedging instruments to manage fluctuations in interest or exchange rates.

a) Categorisation of Financial Instruments

The carrying amounts of the agency's financial assets and liabilities by category are disclosed in the table below.

2017-18 Categorisation of Financial Instruments

	Fair value through profit and loss - Designated at fair value	Financial assets - Loans and receivables	Financial Liabilities - amortised cost	Total
	\$'000	\$'000	\$'000	\$'000
Cash and deposits	-	175,742	-	175,742
Receivables ¹	-	5,254	-	5,254
Advances	-	986	-	986
Other assets -Finance lease	-	18,603	-	18,603
TOTAL FINANCIAL ASSETS	-	200,585	-	200,585
Deposits held ¹	5,503	-	-	5,503
Payables ¹	16,530	-	-	16,530
Finance lease liabilities	-	-	359	359
TOTAL FINANCIAL LIABILITIES	22,033	-	359	22,392

1 total amounts disclosed exclude statutory amounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



22. FINANCIAL INSTRUMENTS (CONT.)

2017–18 Categorisation of Financial Instruments

	Fair value through profit and loss - Designated at fair value	Financial assets - Loans and receivables	Financial Liabilities - amortised cost	Total
	\$'000	\$'000	\$'000	\$'000
Cash and deposits	-	269,121	-	269,121
Receivables ¹	-	6,695	-	6,695
Advances	-	1,401	-	1,401
Other assets -Finance lease	-	17,387	-	17,387
TOTAL FINANCIAL ASSETS	-	294,604	-	294,604
Deposits held ¹	3,985	-	-	3,985
Payables ¹	14,576	-	-	14,576
Finance lease liabilities	-	-	363	363
TOTAL FINANCIAL LIABILITIES	18,561	-	363	18,924

1 total amounts disclosed exclude statutory amounts.

Classification of Financial Instruments

AASB 7 Financial Instruments: Disclosures requires financial instruments to be classified and disclosed within specific categories depending on their nature and purpose.

Financial assets are classified into the following categories:

- financial assets at fair value through profit or loss;
- held-to-maturity investments;
- loans and receivables; and
- available-for-sale financial assets.

Financial liabilities are classified into the following categories:

- financial liabilities at fair value through profit or loss (FVTPL); and
- financial liabilities at amortised cost.

Financial Assets or Financial Liabilities at Fair Value through Profit or Loss

Financial instruments are classified as at FVTPL when the instrument is either held for trading or is designated as at FVTPL.

An instrument is classified as held for trading if it is:

- acquired or incurred principally for the purpose of selling or repurchasing it in the near term with an intention of making a profit;
- part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS (CONT.)

A financial instrument may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise
- the instrument forms part of a group of financial instruments, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 Financial Instruments: Recognition and Measurement permits the contract to be designated as at FVTPL.

Financial liabilities at fair value through profit or loss include accounts payable and deposits held excluding statutory deposits and accrued expenses. Financial assets at fair value through profit or loss include short-term securities and bonds.

Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates that the entity has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those held for trading and available for sale. Loans and receivables exclude statutory receivables.

Available-for-Sale Financial Assets

Available-for-sale financial assets are those non-derivative financial assets, principally equity

securities that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for-sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in the Comprehensive Operating Statement.

Financial Liabilities at Amortised Cost

Financial instrument liabilities measured at amortised cost include all advances received, finance lease liabilities and borrowings. Amortised cost is calculated using the effective interest method.

Derivatives

The agency enters into a variety of derivative financial instruments to manage its exposure to interest rate risk. The agency 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 agency, 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



22. FINANCIAL INSTRUMENTS (CONT.)

b) Credit Risk

The agency has limited credit risk exposure (risk of default). In respect of any dealings with organisations external to Government, the agency has adopted a policy of only dealing with credit worthy organisations and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the agency's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Receivable balances are monitored on an ongoing basis to ensure that exposure to bad debts is not significant. A reconciliation and aging analysis of receivables is presented below.

Receivables

Internal Receivables ^(a)	Aging of Receivables \$'000	Aging of Impaired Receivables \$'000	Net Receivables \$'000
2017-18			
Not overdue	3,681	-	3,681
Overdue for less than 30 days	-	-	-
Overdue for 30 to 60 days	-	-	-
Overdue for more than 60 days	-	-	-
TOTAL	3,681	-	3,681

Reconciliation of the Allowance for Impairment Losses

Opening	-
Written off during the year	-
Recovered during the year	-
Increase/(Decrease) in allowance recognised in profit or loss	-
TOTAL	-

External Receivables ^(a)	Aging of Receivables \$'000	Aging of Impaired Receivables \$'000	Net Receivables \$'000
2017-18			
Not overdue	1,160	(2)	1,158
Overdue for less than 30 days	-	-	-
Overdue for 30 to 60 days	63	(3)	60
Overdue for more than 60 days	1,815	(1,460)	355
TOTAL	3,038	(1,465)	1,573

Reconciliation of the Allowance for Impairment Losses

Opening	(177)
Written off during the year	14
Increase in allowance recognised in profit or loss	(1,302)
TOTAL	(1,465)

a) Internal receivables are from entities controlled by the Northern Territory Government whereas external receivables are from third parties external to the Northern Territory Government.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS (CONT.)

Internal Receivables ^(a)	Aging of Receivables	Aging of Impaired Receivables	Net Receivables
	\$'000	\$'000	\$'000
2016-17			
Not overdue	3,616	-	3,616
Overdue for less than 30 days	-	-	-
Overdue for 30 to 60 days	-	-	-
Overdue for more than 60 days	-	-	-
TOTAL	3,616	-	3,616

Reconciliation of the Allowance for Impairment Losses

Opening	-
Written off during the year	-
Recovered during the year	-
Increase/(Decrease) in allowance recognised in profit or loss	-
TOTAL	-

External Receivables ^(a)	Aging of Receivables	Aging of Impaired Receivables	Net Receivables
	\$'000	\$'000	\$'000
2016-17			
Not overdue	1,663	-	1,663
Overdue for less than 30 days	-	-	-
Overdue for 30 to 60 days	18	-	18
Overdue for more than 60 days	1,575	(177)	1,398
TOTAL	3,256	(177)	3,079

Reconciliation of the Allowance for Impairment Losses

Opening	(48)
Additions from administrative restructuring	(65)
Written off during the year	6
Increase in allowance recognised in profit or loss	(70)
TOTAL	(177)

a) Internal receivables are from entities controlled by the Northern Territory Government whereas external receivables are from third parties external to the Northern Territory Government.

c) Liquidity Risk

Liquidity risk is the risk that the agency will not be able to meet its financial obligations as they fall due. The agency's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The following tables detail the agency's remaining contractual maturity for its financial assets and liabilities. It should be noted that these values are undiscounted, and consequently totals may not reconcile to the carrying amounts presented in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



22. FINANCIAL INSTRUMENTS (CONT.)

2018 Maturity analysis for financial assets and liabilities

	Variable Interest Rate			Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
	Less than a Year	1 to 5 Years	More than 5 Years	Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Assets									
Cash and deposits	-	-	-	-	-	-	175,742	175,742	
Receivables	-	-	-	-	-	-	5,254	5,254	
Advances	986	-	-	-	-	-	-	986	2.54%
Other assets - finance lease	-	-	-	-	-	18,603	-	18,603	7.00%
TOTAL FINANCIAL ASSETS	986	-	-	-	-	18,603	180,996	200,585	
Liabilities									
Deposits held	-	-	-	-	-	-	5,503	5,503	
Payables	-	-	-	-	-	-	16,530	16,530	
Finance lease liabilities	-	-	-	-	-	359	-	359	4.72%
TOTAL FINANCIAL LIABILITIES	-	-	-	-	-	359	22,033	22,392	

2017 Maturity analysis for financial assets and liabilities

	Variable Interest Rate			Fixed Interest Rate			Non Interest Bearing	Total	Weighted Average
	Less than a Year	1 to 5 Years	More than 5 Years	Less than a Year	1 to 5 Years	More than 5 Years			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Assets									
Cash and deposits	-	-	-	-	-	-	269,121	269,121	
Receivables	-	-	-	-	-	-	6,695	6,695	
Advances	945	-	-	390	-	-	66	1,401	3.74%
Other assets - finance lease	-	-	-	-	-	17,387	-	17,387	7.00%
TOTAL FINANCIAL ASSETS	945	-	-	390	-	17,387	275,882	294,604	
Liabilities									
Deposits held	-	-	-	-	-	-	3,985	3,985	
Payables	-	-	-	-	-	-	14,576	14,576	
Finance lease liabilities	-	-	-	-	-	363	-	363	4.72%
TOTAL FINANCIAL LIABILITIES	-	-	-	-	-	363	18,561	18,924	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS (CONT.)

d) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises interest rate risk, price risk and currency risk.

(i) Interest Rate Risk

The Department of Infrastructure, Planning and Logistics is not exposed to interest rate risk as agency financial assets and financial liabilities, with the exception of Aboriginal land under finance leases which are non-interest bearing. Finance lease arrangements are established on a fixed interest rate and as such do not expose the agency to interest rate risk.

Market Sensitivity Analysis

Changes in the variable rates of 100 basis points (1 per cent) at reporting date would have the following effect on the Department of Infrastructure, Planning and Logistics profit or loss and equity.

	Profit or Loss and Equity	
	100 basis points increase	100 basis points decrease
	\$'000	\$'000
30 June 2018		
Financial assets – receivable loans	10	(10)
NET SENSITIVITY	10	(10)
30 June 2017		
Financial assets – receivable loans	9	(9)
NET SENSITIVITY	9	(9)

(ii) Price Risk

The Department of Infrastructure, Planning and Logistics is not exposed to price risk as the agency does not hold any financial instruments impacted by price risk.

(iii) Currency Risk

The Department of Infrastructure, Planning and Logistics is not exposed to currency risk as the agency does not hold borrowings denominated in foreign currencies or transactional currency exposures arising from purchases in a foreign currency.

e) Net Fair Value

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



22. FINANCIAL INSTRUMENTS (CONT.)

When measuring fair value, the valuation techniques used maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets/liabilities.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the agency include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgments that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Such inputs include internal agency adjustments to observable data to take account of particular and potentially unique characteristics/functionality of assets/liabilities and assessments of physical condition and remaining useful life.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy based on the inputs used:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs are unobservable.

The fair value of financial instruments is determined on the following basis:

- the fair value of cash, deposits, advances, receivables and payables approximates their carrying amount, which is also their amortised cost;
- the fair value of derivative financial instruments are derived using current market yields and exchange rates appropriate to the instrument; and
- the fair value of other monetary financial assets and liabilities is based on discounting to present value the expected future cash flows by applying current market interest rates for assets and liabilities with similar risk profiles.

For financial instruments measured and disclosed at fair value, the following table groups the instruments based on the level of inputs used.

2018	Total Carrying Amount \$'000	Net Fair Value Level 1 \$'000	Net Fair Value Level 2 \$'000	Net Fair Value Level 3 \$'000	Net Fair Value Total \$'000
Financial Assets					
Cash and deposits	175,742	175,742	-	-	175,742
Receivables	5,254	5,254	-	-	5,254
TOTAL FINANCIAL ASSETS	180,996	180,996	-	-	180,996
Financial Liabilities					
Deposits held	5,503	5,503	-	-	5,503
Payables	16,530	16,530	-	-	16,530
TOTAL FINANCIAL LIABILITIES	22,033	22,033	-	-	22,033

There were no changes in valuation techniques during the period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

22. FINANCIAL INSTRUMENTS (CONT.)

2017	Total Carrying Amount	Net Fair Value Level 1	Net Fair Value Level 2	Net Fair Value Level 3	Net Fair Value Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash and deposits	269,121	269,121	-	-	269,121
Receivables	6,695	6,695	-	-	6,695
TOTAL FINANCIAL ASSETS	275,816	275,816	-	-	275,816
Financial Liabilities					
Deposits held	3,985	3,985	-	-	3,985
Payables	14,576	14,576	-	-	14,576
TOTAL FINANCIAL LIABILITIES	18,561	18,561	-	-	18,561

There were no changes in valuation techniques during the period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



23. RELATED PARTIES

i) Related Parties

The Department of Infrastructure, Planning and Logistics is a Government administrative entity and is wholly owned and controlled by the Territory Government. Related parties of the department include:

- the Portfolio Minister and key management personnel (KMP) because they have authority and responsibility for planning, directing and controlling the activities of the department directly
- spouses, children and dependants who are close family members of the Portfolio Minister or KMP
- 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 of Infrastructure, Planning and Logistics are those persons having authority and responsibility for planning, directing and controlling the activities of the department. These include the Minister of Infrastructure, Planning and Logistics, the Chief Executive Officer and the 3 members of the executive team of the Department of Infrastructure, Planning and Logistics.

iii) Remuneration of Key Management Personnel

The details below exclude the salaries and other benefits of the Minister of Infrastructure, Planning and Logistics as the Minister's remuneration and allowances are payable by the Department of the Legislative Assembly and consequently disclosed within the Treasurer's Annual Financial Statements.

The aggregate compensation of key management personnel of the Department of Infrastructure, Planning and Logistics is set out below:

	2018	2017
	\$'000	\$'000
Short-term benefits	1,333	998
Post-term benefits	106	91
TOTAL	1,439	1,089

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

23. RELATED PARTIES (CONT.)

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.

2018 Related Party Transactions

Related Party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$'000	\$'000	\$'000	\$'000
All NT Government departments	13,068	34,588	3,634	2,658
Associates	-	-	-	-
Subsidiaries	-	-	-	-

2017 Related Party Transactions

Related Party	Revenue from related parties	Payments to related parties	Amounts owed by related parties	Amounts owed to related parties
	\$'000	\$'000	\$'000	\$'000
All NT Government departments	14,806	36,444	3,571	2,451
Associates	-	-	-	-
Subsidiaries	-	-	-	-

Most of the department's transactions with other Government entities are not individually significant. Transactions which were significant with other Government entities are listed as follows:

- \$1.362 million grant payment to support the operations of the Darwin wharf precinct through the Darwin Waterfront Corporation,
- \$11.433 million in notional revenue and expenditure related services received free of charge from the Department of Corporate and Information Services.

Other Related Party Transactions Are As Follows:

Given the breadth and depth of Territory Government activities, related parties will transact with the Territory Public Sector in a manner consistent with other members of the public including paying stamp duty and other government fees and charges and therefore these transactions have not been disclosed.

There are no other related party transactions to disclose.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



24. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

a) Contingent Liabilities

The Department of Infrastructure, Planning and Logistics has entered into agreements which contain indemnity clauses. The contingent liabilities arising from the indemnities are unquantifiable, but expected to be immaterial. However, for all the events that would give rise to the liabilities the agency has comprehensive risk management procedures in place. Legal proceedings or disputes in which the agency is a party are not separately disclosed. Due to the wide variety and nature of individual cases, and the uncertainty of any potential liability means that no value can be attributed to individual cases until such time as the courts make a decision so as to not prejudice the outcome of the proceeding or dispute.

b) Contingent Assets

The Department of Infrastructure, Planning and Logistics had no contingent assets as at 30 June 2018 or 30 June 2017. Legal proceedings or disputes in which the agency is a party are not separately disclosed which may give rise to a contingent asset. Due to the wide variety and nature of individual cases, and the uncertainty of any potential asset means that no value can be attributed to individual cases until such time as the courts make a decision so as to not prejudice the outcome of the proceeding or dispute.

25. EVENTS SUBSEQUENT TO BALANCE DATE

No events have arisen between the end of the financial year and the date of this report that require an adjustment to, or disclosure in these financial statements.

26. ACCOUNTABLE OFFICER'S TRUST ACCOUNT

In accordance with section 7 of the *Financial Management Act*, 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 2017			30 June 2018
	\$'000	\$'000	\$'000	\$'000
Retention/Security deposits	1,010	14	(3)	1,021
Bank guarantees	392	375	(134)	633
TOTAL	1,402	389	(137)	1,654

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

27. 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)).

	2018	2017
	\$'000	\$'000
TERRITORY INCOME AND EXPENSES		
Income		
Taxation revenue	55,137	48,373
Grants and subsidies revenue		
Capital	8,039	14,763
Fees from regulatory services	5,997	8,417
Royalties and rents	3,048	3,769
Other income	3,229	3,285
TOTAL INCOME	75,450	78,608
Expenses		
Central Holding Authority income transferred	75,450	78,608
TOTAL EXPENSES	75,450	78,608
TERRITORY INCOME LESS EXPENSES	-	-
TERRITORY ASSETS AND LIABILITIES		
Assets		
Other receivables	639	300
TOTAL ASSETS	639	300
Liabilities		
Central Holding Authority income payable	185	275
Unearned Central Holding Authority income	454	26
TOTAL LIABILITIES	639	300
NET ASSETS	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



28. BUDGETARY INFORMATION

	2017-18 Actual	2017-18 Original Budget	Variance	Note
	\$'000	\$'000	\$'000	
Comprehensive Operating Statement				
INCOME				
Grants and subsidies revenue				
Current	439	-	439	1
Capital	-	-	-	
Appropriation				
Output	288,969	248,051	40,918	2
Commonwealth	18,483	17,292	1,191	3
Sales of goods and services	17,607	17,951	(344)	
Interest revenue	35	76	(41)	
Goods and services received free of charge	11,433	12,578	(1,145)	4
Gain on disposal of assets	1,395	-	1,395	5
Other income	2,017	532	1,485	6
TOTAL INCOME	340,378	296,480	43,898	
EXPENSES				
Employee expenses	87,870	85,778	2,092	7
Administrative expenses				
Purchases of goods and services	85,178	80,577	4,601	8
Repairs and maintenance	128,273	110,561	17,712	9
Depreciation and amortisation	67,364	68,336	(972)	10
Other administrative expenses	7,245	-	7,245	11
Grants and subsidies expenses				
Current	6,117	7,017	(900)	12
Capital	35,869	4,288	31,581	13
Community service obligations	-	-	-	
Goods and services received free of charge	11,433	12,578	(1,145)	14
Interest expenses	23	-	23	
TOTAL EXPENSES	429,372	369,135	60,237	
NET DEFICIT	(88,994)	(72,655)	(16,339)	
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to net deficit				
Changes in asset revaluation surplus	90,292	-	90,292	
Other reserves	-	-	-	
Transfers from reserves	18,670	-	18,670	
TOTAL OTHER COMPREHENSIVE INCOME	108,962	-	108,962	
COMPREHENSIVE RESULT	19,968	(72,655)	92,623	

28. BUDGETARY INFORMATION (CONTINUED)

Comprehensive Operating Statement Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

1. Additional funding received from the Commonwealth for the Regional Aviation Access Program.
2. Additional appropriation received for a number of capital grant payments and repairs and maintenance funding.
3. Additional funding received from the Commonwealth for the Black Spot Program.
4. Goods and Services received free of charge are resources received from the Department of Corporate and Information Services without charge. This does not impact the operating result as notional revenue is fully offset by notional expenditure.
5. Gain on disposal of assets is mainly due to profit from the sale of land which is unbudgeted.
6. Mainly due to the recognition of the Darwin Port 99 year finance lease.
7. Additional personnel expenditure is mainly due to additional resourcing to support the delivery of the economic stimulus program which was appropriated in the revised budget.
8. Purchase of goods and services and property management expenses are budgeted together as a one line item. The additional expenditure is mainly due to payments for bus contracts, costs associated with the delivery of the economic stimulus program and legal costs. Most of these items were appropriated in the revised budget.
9. Additional repairs and maintenance expenditure due to the accounting treatment of non-cash expenditure associated with capital works projects which did not meet the capitalisation criteria, and expenditure associated with disaster maintenance which was appropriated in the revised budget.
10. Depreciation expense is mainly in line with revised budget.
11. Other administrative expenses mainly resulting from a number of non-cash community land grants, most of which are reflected in the revised budget.
12. Current grants are under budget mainly due to timing delays in some grant agreements with the Commonwealth which are subject to a carryover of funds request for the 2018-19 revised budget.
13. Capital grants are over budget due to a number of capital grant payments for various projects which are reflected in the revised budget.
14. Refer to note 4.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



28. BUDGETARY INFORMATION (CONTINUED)

	2017-18	2017-18		
	Actual	Original		
Balance Sheet	Budget	Variance	Note	
	\$'000	\$'000	\$'000	
ASSETS				
Current Assets				
Cash and deposits	175,742	204,373	(28,631)	1
Receivables	17,657	13,249	4,408	2
Prepayments	1,382	252	1,130	3
Assets held for sale	38,722	-	38,722	
Total Current Assets	233,503	217,874	15,629	
Non-Current Assets				
Advances and investments	986	432	554	4
Property, plant and equipment	6,732,120	6,882,610	(150,490)	5
Heritage and cultural assets	271	-	271	
Other assets	18,603	16,249	2,354	6
Total Non-Current Assets	6,751,980	6,899,291	(147,311)	
TOTAL ASSETS	6,985,483	7,117,165	(131,682)	
LIABILITIES				
Current Liabilities				
Deposits held	18,649	22,279	(3,630)	7
Payables	16,530	14,587	1,943	8
Borrowings and advances	5	367	(362)	
Provisions	12,494	12,509	(15)	
Other Liabilities	9	-	9	
Total Current Liabilities	47,687	49,742	(2,055)	
Non-Current Liabilities				
Borrowings and advances	354	-	354	
Total Non-Current Liabilities	354	-	354	
TOTAL LIABILITIES	48,041	49,742	(1,701)	
NET ASSETS	6,937,442	7,067,423	(129,981)	
EQUITY				
Capital	4,029,521	4,297,908	(268,387)	9
Reserves	3,982,255	3,852,698	129,557	
Accumulated funds	(1,074,334)	(1,083,183)	8,849	
TOTAL EQUITY	6,937,442	7,067,423	(129,981)	



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

28. BUDGETARY INFORMATION (CONTINUED)

Balance Sheet Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

1. Cash at bank budget reflects the opening balance of the 2016–17 financial year with budget movements factored in. This is a calculated field at each year end in the budget papers. It has decreased over the period mainly due to timing delays of funding from the Commonwealth due to milestone project agreement changes from the original budget.
2. Receivables is a calculated field where the original budget reflects the opening balance of the 2016–17 financial year and has since been updated for the 2017–18 operating result.
3. Prepayments mainly relates to the purchase of land from the Land Development Corporation.
4. Advances and investments is a calculated field where the original budget reflects the opening balance of the 2016–17 financial year and has since been updated for the 2017–18 operating result.
5. Property, plant and equipment variance is due to the transfer of the Ship Lift project into outer years which is reflected in the revised budget.
6. Recognition of the Darwin Port long term lease which will be adjusted in the budget once opening balances are reflected in the revised estimates.
7. Deposits held is a calculated field where the original budget reflects the opening balances of the 2016–17 financial year and has since been updated for the 2017–18 operating result.
8. Payables is a calculated field where the original budget reflects the opening balance of the 2016–17 financial year and has since been updated for the 2017–18 operating result.
9. Capital is a calculated field where the original budget reflects the opening balances of the 2016–17 financial year and reflects the impact of the transfer of completed capital works projects.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



28. BUDGETARY INFORMATION (CONT.)

	2017-18	2017-18		
	Actual	Original		
Cash Flow Statement		Budget	Variance	Note
	\$'000	\$'000	\$'000	
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Receipts				
Grants and subsidies received				
Current	439	-	439	1
Capital	-	-	-	
Appropriation				
Output	288,969	248,051	40,918	2
Commonwealth	18,483	17,292	1,191	3
Receipts from sales of goods and services	93,526	18,483	75,043	4
Interest received	35	76	(41)	
TOTAL OPERATING RECEIPTS	401,452	283,902	117,550	
Operating Payments				
Payments to employees	(87,389)	(85,778)	(1,611)	5
Payments for goods and services	(285,172)	(191,138)	(94,034)	6
Grants and subsidies paid				
Current	(6,117)	(7,017)	900	7
Capital	(35,869)	(4,288)	(31,581)	8
Community service obligations	-	-	-	
Interest paid	(23)	-	(23)	
TOTAL OPERATING PAYMENTS	(414,570)	(288,221)	(126,349)	
NET CASH USED IN OPERATING ACTIVITIES	(13,118)	(4,319)	(8,799)	
CASH FLOWS FROM INVESTING ACTIVITIES				
Investing receipts				
Proceeds from asset sales	14,804	10,235	4,569	9
Repayment of advances	467	-	467	
TOTAL INVESTING RECEIPTS	15,271	10,235	5,036	
Investing Payments				
Purchases of assets	(461,922)	(762,909)	300,987	10
Advances and investing payments	(52)	(95)	43	
TOTAL INVESTING PAYMENTS	(461,974)	(763,004)	301,030	
NET CASH USED IN INVESTING ACTIVITIES	(446,703)	(752,769)	306,066	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

28. BUDGETARY INFORMATION (CONTINUED)

Cash Flow Statement (Continued)

CASH FLOWS FROM FINANCING ACTIVITIES				
Financing Receipts				
Deposits received	5,285	-	5,285	
Equity injections				
Capital appropriation	291,525	432,645	(141,120)	11
Commonwealth appropriation	85,889	239,797	(153,908)	12
Other equity injections	398	-	398	
TOTAL FINANCING RECEIPTS	383,097	672,442	(289,345)	
Financing Payments				
Finance lease payments	(5)	-	(5)	
Equity withdrawals	(16,651)	(20,000)	3,349	
TOTAL FINANCING PAYMENTS	(16,655)	(20,000)	3,344	
NET CASH FROM FINANCING ACTIVITIES	366,442	652,442	(286,000)	
Net decrease in cash held	(93,379)	(104,646)	11,267	
Cash at beginning of financial year	269,121	309,019	(39,898)	
CASH AT END OF FINANCIAL YEAR	175,742	204,373	(28,631)	

Cash Flow Statement Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

- Additional funding received from the Commonwealth for the Regional Aviation Access Program.
- Additional appropriation received for a number of capital grant payments and repairs and maintenance funding.
- Additional funding received from the Commonwealth for the Black Spot Program.
- Variance is mainly due to GST receipts which are unbudgeted.
- Additional personnel expenditure is mainly due to additional resourcing to support the delivery of the economic stimulus program which was appropriated in the revised budget.
- Variance is mainly due to GST payments which are unbudgeted.
- Current grants are under budget mainly due to timing delays in some grant agreements with the Commonwealth which are subject to a carryover of funds request for the 2018-19 revised budget.
- Capital grants are over budget due to a number of capital grant payments for various projects which are reflected in the revised budget.
- Asset sales mainly related to land sales and is in line with revised budget.
- Purchases of assets is under due to milestone changes in Commonwealth road projects and the change in timing of the delivery of the Ship Lift project, both changes are reflected in the revised budget.
- The variance is mainly due to the transfer of the Ship Lift capital works project to outer years and the transfer of capital appropriation to provide a number of capital grant payments for various projects.
- The variance in Commonwealth capital appropriation is mainly in line with revised budget which reflects the changes to project milestones.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018



29. 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.

	2017-18 Actual	2017-18 Original Budget	Variance	Note
	\$'000	\$'000	\$'000	
Administered Territory Items				
TERRITORY INCOME AND EXPENSES				
Income				
Taxation revenue	55,137	53,924	1,213	1
Grants and subsidies revenue				
Capital	8,039	10,968	(2,929)	2
Fees from regulatory services	5,997	9,294	(3,297)	3
Royalties and rents	3,048	3,785	(737)	4
Other income	3,229	2,876	353	5
TOTAL INCOME	75,450	80,847	(5,397)	
EXPENSES				
Central Holding Authority income transferred	75,450	80,847	(5,397)	
Total Expenses	75,450	80,847	(5,397)	
Territory Income Less Expenses	-	-	-	
TERRITORY ASSETS AND LIABILITIES				
Assets				
Royalties and rent receivable	639	310	329	
Other receivables	-	12	(12)	
Total Assets	639	322	317	
Liabilities				
Central Holding Authority income payable	185	322	(137)	
Unearned Central Holding Authority income	454	-	454	
TOTAL LIABILITIES	639	322	317	
NET ASSETS	-	-	-	



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

Administered Territory Item Notes:

The following note descriptions relate to variances greater than 10 per cent or \$500,000 or where multiple significant variances have occurred.

1. Variance is mainly due to additional revenue received as part of the Rideshare program.
2. Capital grants are lower than originally budgeted due to the timing of payment for the Regional Aviation Access Program.
3. Regulatory fees are lower than originally budgeted due to revenue received for taxi licenses and marine safety fees which are no longer collected by the Territory.
4. Royalties and rent are lower than original budget due to a decrease in revenue from crown leases.
5. Variance is due to additional funding provided to support the road safety campaign.



APPENDIX





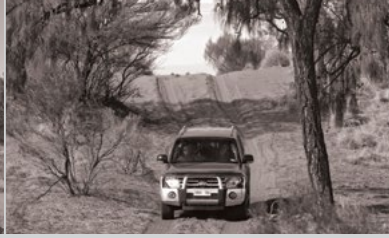
APPENDIX

Legislation and administrative responsibilities

The department administers the following pieces of legislation under the ministerial portfolio of Infrastructure, Planning and Logistics:

Acts

1. *Aboriginal Land Act*
2. *Aerodromes Act Repeal Act*
3. *AustralAsia Railway Corporation Act*
4. *AustralAsia Railway (Special Provisions) Act*
5. *AustralAsia Railway (Third Party Access) Act*
6. *Building Act* (except provisions relating to the regulation and licensing of occupations)
7. *Commercial Passenger (Road) Transport Act*
8. *Control of Roads Act*
9. *Crown Lands Act* (except section 79)
10. *Crown Lands Freehold (Conversion from Crown Leasehold) Act*
11. *Darwin Port Corporation Act*
12. *Lands Acquisition Act*
13. *Lands Acquisition (Pastoral Leases) Act*
14. *Licensed Surveyors Act* (except provisions relating to the regulation and licensing of occupations)
15. *Marine Act*
16. *Marine Safety (Domestic Commercial Vessel) (National Uniform Legislation) Act*
17. *Miscellaneous Acts Amendment (Aboriginal Community Living Areas) Act*
18. *Motor Vehicles Act* (except Part V)
19. *Northern Territory Land Corporation Act*
20. *Palmerston Development Authority Act Repeal Act*
21. *Pastoral Land Act* (provisions about Aboriginal community living areas)
22. *Place Names Act*
23. *Planning Act*
24. *Plumbers and Drainers Licensing Act* (except provisions relating to the regulation and licensing of occupations)
25. *Ports Management Act*
26. *Public Transport (Passenger Safety) Act*
27. *Rail Safety (National Uniform Legislation) Act*
28. *Road Transport Reform (Vehicles and Traffic) (Northern Territory) Act*
29. *Special Purposes Leases Act*
30. *Swimming Pool Safety Act*
31. *Traffic Act*
32. *Valuation of Land Act.*





STUART HWY

Kulgera 178

Alice Springs 452

MAJOR REST AREA

Marryat 120



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