

LATE AGENDA

Ordinary Meeting of Council

Tuesday, 28 March 2023

12.00pm

Council Chambers, Civic Centre,
Stuart Highway, Katherine

The Chief Executive Officer of Katherine Town Council hereby provides notice of the Ordinary Meeting of Council, in accordance with Section 92 of the *Local Government Act 2019*.

ORDER OF BUSINESS

17	LATE AGENDA.....	3
17.1	Remuneration Tribunal Determination - Council member allowances from 1 July 2023	3
17.2	FINANCE REPORT FOR THE MONTH OF FEBRUARY 2023.....	16
17.3	2021-2022 ACQUITTAL - LOCAL GOVERNMENT GRANT - FOOTPATH RENEWAL PROGRAM.....	21



17 LATE AGENDA



17.1 REMUNERATION TRIBUNAL DETERMINATION - COUNCIL MEMBER ALLOWANCES FROM 1 JULY 2023

FOLDER ID : \COUNCIL MEETING ADMINISTRATION\ORDINARY MEETING OF COUNCIL\ORDINARY MEETING OF COUNCIL (OMC) - AGENDA\ORDINARY MEETING OF COUNCIL (OMC) - AGENDA 2023\OMC - AGENDA 2023 - MARCH/177379

AUTHOR : AMANDA HAIGH, EXECUTIVE AND GOVERNANCE OFFICER

AUTHORISER : INGRID STONHILL, CHIEF EXECUTIVE OFFICER

ATTACHMENT/S : 1. REPORT - RENUMERATION TRIBUNAL - LOCAL GOVERNMENT ALLOWANCES DETERMINATION - 24 JANUARY 2023.PDF  

2. FAQs - COUNCIL MEMBER ALLOWANCES FROM 1 JULY 2023 - REMUNERATION TRIBUNAL DETERMINATION.PDF  

OFFICER RECOMMENDATION

1. That Council receive and note the
 - (a) new Determination of Allowances for members of Local Government Councils Determination No.1 of 2023, and
 - (b) Department of Chief minister and Cabinet Frequently Asked Question Fact Sheet.

PURPOSE OF REPORT

To inform Council of the Remuneration Tribunal determination of council member allowances from 1 July 2023.

STRATEGIC PLAN

Priority One	Strong Leadership	Strong Leadership	Ensure strong internal governance with updated policies and procedures in place
Priority Four	Growth and Sustainability	Lead with Best Practice	Be prudent with our financial management for stronger returns for ratepayers and sustainable long-term finances with current risk management practices current at all times.

BACKGROUND

The *Local Government Act 2019* S106 requires elected member allowances and expenses be determined by the Remuneration Tribunal to make a determination under S7B of the *Assembly and Statutory Officers(Remuneration and Other Entitlements) Act 2006*.

DISCUSSION

The Remuneration Tribunal is an independent statutory body that undertakes inquiries into the remuneration and entitlements of key Northern Territory (NT) office holders.

The Remuneration Tribunal Report and Determination No. 1 of 2023 - Allowances for Members of Local Government Councils was made on 24 January 2023.

The determination replaces Guideline 2A: council member allowances and will come into effect from 1 July 2023.

The Department of the Chief Minister and Cabinet has provided Frequently Asked Questions fact sheet for clearer guidance on the determination.

POLICY IMPLICATIONS

Council policies and procedures that relate to Council Member Allowances and Expenses will require updating and/or establishing before the 1 July 2023.

BUDGET AND RESOURCE IMPLICATIONS

Council member allowances will be included in the 2023-24 Budget as set out in the Determination No. 1 of 2023.

RISK, LEGAL AND LEGISLATIVE IMPLICATIONS

Council must follow the Determination or will result on breach of the *Local Government Act 2019*.

COUNCIL OFFICER CONFLICT OF INTEREST

We the Author and Approving Officer declare we do not have a conflict of interest in relation to this matter.

**NORTHERN TERRITORY OF AUSTRALIA
REMUNERATION TRIBUNAL**

*Assembly Members and Statutory Officers
(Remuneration and Other Entitlements) Act 2006*

**DETERMINATION OF ALLOWANCES FOR MEMBERS OF
LOCAL GOVERNMENT COUNCILS****DETERMINATION NO. 1 OF 2023**

Under section 7B of the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006*, the Tribunal determines as follows:

1. DEFINITIONS**Municipal Councils are the following:**

- Alice Springs;
- Darwin;
- Katherine;
- Litchfield; and
- Palmerston.

Regional Councils are the following:

- Barkly;
- Central Desert;
- East Arnhem;
- MacDonnell;
- Roper Gulf;
- Tiwi Islands
- West Arnhem;
- West Daly; and
- Victoria Daly.

Community Councils are the following:

- Belyuen.
- Coomalie; and
- Wagait.

Financial Year is the period from 1 July to the 30 June.

Councils are defined in the *Local Government Act 2019* as an area, and means the Local Council constituted for that area under section 14(b).

The role of Mayor is defined in section 58 of the *Local Government Act 2019* and is prescribed as:

- (1) The Principal Member of a municipal council is to have the title Mayor.
- (2) However:
 - (a) in the case of the council for the City of Darwin local government area – the principal member is to have the title Lord Mayor; and
 - (b) in the case of the Litchfield Council – the council may, by resolution, decide the principal member instead has the title President.
- (3) The Council may, by resolution, decide the principal member of a regional or shire council has the title Mayor or President.

Deputy Mayor is defined in the *Local Government Act 2019*.

Councillor is defined in the *Local Government Act 2019* as an elected member of a Local Council:

2. ALLOWANCES

The following allowances will be paid annually.

COUNCILLORS' ALLOWANCE

Darwin	\$31,000
Palmerston	\$22,000
Alice Springs	\$22,000
Litchfield	\$22,000
Other Municipal and Regional	\$20,000

Community Councils

Coomalie	\$7000
Belyuen	up to \$5000 as approved by Council
Wagait	up to \$5000 as approved by Council

DEPUTY PRINCIPAL MEMBERS ADDITIONAL ALLOWANCE

Darwin	\$23,800
Palmerston	\$17,200
Alice Springs	\$16,500
Litchfield	\$16,000
Other Municipal and Regional	\$16,000

PRINCIPAL MEMBERS ADDITIONAL ALLOWANCE

Darwin	\$127,200
Palmerston	\$92,000
Alice Springs	\$89,000
Litchfield	\$83,000
Other Municipal and Regional	\$82,000

Community Councils

Coomalie	\$23,000
Belyuen	up to \$20,000 as approved by Council
Wagait	up to \$5000 as approved by Council

3. INCLUSIONS OF ALL ALLOWANCES

The Allowances are to cover:

- any cost to Councillors of attending meetings and activities of Council where these costs are not reimbursed by Council;
- contribution towards phone and internet usage;
- contribution towards any home office and supplies;
- allowance towards costs incurred in servicing constituents in Ward or Council Area:
 - Including, but not limited to:
 - donations;
 - organization sponsorship;
 - membership fees;
 - patron expenses; and
 - constituent support.

4. EXTRA MEETING / ACTIVITY ALLOWANCE

- 4.1. An Extra Meeting / Activity Allowance of up to \$10,000 per financial year, may be accessed by all Municipal and Regional Councillors and Deputy Principal Members of those Councils. The allowance may be accessed as follows:

- additional meetings of full Council or established sub-committees of Council;
- attendance at Local Authority Meetings within the Ward the member represents;
- attendance at any functions representing the Principal Member on official Council duties;
- attendance at functions as an invited representative of Council and with Council's approval; and
- attendance at any approved extra meetings of Council for planning, briefing or information sessions of council meetings.

- 4.2. Allowances to be paid to eligible members (not including Principal Members) are:

- Fee if activity takes place during normal business hours as follows:
 - up to 2 hours \$200
 - between 2 and 4 hours \$300
 - more than 4 hours \$500
- An Extra Meeting / Activity Allowance of up to \$1000 per financial year, can be paid to Councillors of the Community Councils, when attending an extra meeting / activity approved by the Council.

5. PROFESSIONAL DEVELOPMENT ALLOWANCE \$4000 PER YEAR

- 5.1. Professional Development Allowance is \$4000 per person, per financial year and will be paid to all Principal Members, Deputy Principal Members, Councillors of Municipal and Regional Councils.
- 5.2. Professional Development Allowance up to \$1000 per financial year, may be claimed by all Principal Members and Councillors of Community Councils if approved by the Council.
- 5.3. Any course or professional development activity must be specifically related to the role of the Councillor and be approved by the Council. The AICD Company's Director Course should be encouraged, as well as professional development activity that is arranged by the Local Government Association of Northern Territory (LGANT).
- 5.4. Total amount claimable each year is the total of two years, being based on an annual allowance, plus one year drawn in advance or one year's remaining balance from a previous year. The maximum amount claimable by any Councillor is the total sum of one year for each year of the Councillor's elected term.
- 5.5. Proof of completion for each stage of the course is required before further payments can be claimed.

6. VEHICLE ALLOWANCE

- 6.1. Vehicle Allowance will be available for travel undertaken by all Councillors when the travel involves 50kms from home base, and is capped at \$5000 per financial year, travel does not occur in a Council supplied and maintained vehicle, and the Councillor is not in receipt of a motor vehicle provisions in Clause 7 below.
- 6.2. Vehicle Allowance will be in the form of kilometre allowance which will be paid at rates set by the Australian Taxation Office each year and is 78 cents a kilometre in 2022-23.
- 6.3. Vehicle Allowance will be available in the following circumstances:
 - travel to and from statutory Council meetings;
 - travel to and from official Council approved meeting;
 - travel to and from approved function representing the Principal Member;
 - travel to and from Local Authority Meetings;
 - travel to and from all meetings of Council or their sub-committees; and
 - travel to and from any additional activity where Extra Meeting/Activity Allowance has been approved.

7. PROVISION OF MOTOR VEHICLE

- 7.1. If Principal Members of Municipal and Regional Councils are not given a Council maintained vehicle they can receive a Vehicle Allowance.
- 7.2. The Vehicle Allowance, which will be paid fortnightly or monthly, will be:
 - \$25,000 per year for Municipal Principal Members; or
 - \$40,000 per year for Regional Principal Members.

8. TRAVEL ALLOWANCE


Principal Members, Deputy Principal Members and Councillors who are required to stay away from home overnight on approved Council business, will be entitled to Travel Allowance.

The applicable rates to be paid are found in Table 1 of Taxation Determination TD 2021/6 or any subsequent Taxation Determination made in substitution of that Determination.


9. GENERAL

9.1. Pursuant to section 7B(7) of the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006*, the allowances determined are effective from either:


- the next financial year if the report is made on or before 1 February; or
- from the financial year after the next financial year if the report is made after 1 February.



Mr Michael Martin OAM
Chairperson
Remuneration Tribunal



The Hon Syd Stirling AM
Member
Remuneration Tribunal



Mr Gary Higgins
Member
Remuneration Tribunal

Dated 24 January 2023

Council member allowances – from 1 July 2023

Frequently asked questions

The Remuneration Tribunal (the Tribunal) Report and Determination No. 1 of 2023 - Allowances for Members of Local Government Councils was made on 24 January 2023 (and tabled in the Northern Territory Legislative Assembly on 14 February 2023). Below are answers to some commonly asked questions regarding the Determination.

This document was created by the Department of the Chief Minister and Cabinet following discussions with the Local Government Association of the Northern Territory and other stakeholders. It does not form part of the Determination but aims to assist council members and staff in understanding the Determination.

2 – Allowances

Will the council need to make a decision to adopt the allowances?

The Determination sets the value of Councillors Allowance, Deputy Principal Members Additional Allowance and Principal Members Additional Allowance. The exception is Belyuen and Wagait Councils, which are given an allowance of an amount approved by Council 'up to' a certain value. These are the only councils that need to make a separate decision adopting the allowances.

The Determination shows an annual allowance, does that mean the full allowance is paid once per year?

No, the Determination sets the capped annual allowances for each council, an 'up to' amount that is claimable under each allowance. Allowances are paid in accordance with Council policy, usually occurring fortnightly or monthly.

There seems to be a significant drop in both the Deputy Principal Member and Principal Member allowances, is that right?

No, the allowances determined for Deputy Principal Members Additional Allowance and Principal Members Additional Allowance are in addition to the Councillors' Allowance. Appendix A to the Report compares the current allowances with the new allowances and provides the total allowance for the Mayor (principal member) and Deputy Mayor (deputy principal member).

3 – Inclusions of all allowances

If, before 1 July 2023, a council provided an allowance to members that was not required under the Local Government Act 2019, for example an allowance for internet and phones, does it now need to come out of the allowances covered by the Determination? Can the council make a decision to pay allowances not mentioned in the Determination?

As the Determination now sets out what the allowances are to cover, for example it now specifies "contribution towards phone and internet usage", a council cannot pay another allowance towards such usage. However, there may be circumstances where, subject to council policy, it is appropriate for a council to supply a member with a phone, computer or related equipment, or reimburse a member's cost of purchasing such equipment.

Frequently asked questions

4 - Extra Meeting/Activity Allowance

The Determination shows allowances for 'normal business hours', what does this mean and how is the fee set for Council activities/meetings held outside normal business hours?

The expression "normal business hours" is mentioned at paragraph 4.2, although the Determination does not specify an allowance for meetings after hours or an option for Council to self-determine their allowances. As such, extra meetings or activities (both during and outside of business hours) should be paid at the rates listed for meetings during business hours, based on the time that meeting/activity takes.

Are the Extra Meeting/Activity Allowance limits of \$10,000 per year (paragraph 4.1) and \$1,000 per year (paragraph 4.2) per council or member?

These are capped amounts set out for each council. The \$10,000 capped Extra Meeting Allowance is only available to municipal and regional councils members (except principal member) and the \$1,000 capped Extra Meeting Allowance is only for councillors of community councils (excludes principal member and deputy principal member).

Are deputy principal members entitled to the Extra Meeting/Activity Allowance?

Yes, deputy principal members are eligible to access the Extra Meeting/Activity Allowance as per paragraph 4.1 of the Determination. In paragraph 5 of the Report, the Tribunal is concerned with the Extra Meeting Allowance being restricted and have now restructured it to be more accessible.

If a council member has to cancel their attendance at a meeting or activity for which they have already received an allowance, are they required to repay the allowance?

The Determination does not specify requirements for payment or repayments of allowances. Allowances are normally paid in arrears.

If a council member is unable to attend a meeting or activity due to illness or unforeseen circumstances, can they still claim allowances for the missed meeting or activity?

No, a council member can only claim allowances for a meeting/activity they were present for.

Is there a minimum part/amount of time required for the attendance at a meeting to get the allowance, for example attendance at 80 per cent of the scheduled meeting?

The Determination does not specify the minimum attendance time required per meeting. However, it is common for councils to have established policies and procedures in place for meetings and the payment of allowances to council members. The Determination does nominate different amounts for the time period in attendance, including up to 2 hours, between 2 and 4 hours and more than 4 hours. For example, if a council member attends a meeting/activity for 1.5 hours and the full meeting was for 4 hours, the member is entitled to the 'up to 2 hour' amount (\$200).

Can a council member claim the extra meeting/activity allowance for attending a meeting or activity via telephone/video conference?

Yes, under sections 95(3)(a) and 98(3)(a) of the *Local Government Act 2019*, the member's attendance at the meeting by means of an audio or audiovisual conferencing system is authorised in accordance with a council resolution establishing a policy for attendance in such a manner.

Frequently asked questions

5 - Professional development

Are there any limitations on the number of professional development courses that a council member can take per year?

The Determination does not limit the number of professional development courses that a council member can attend each year. However, the course must be relevant to their role as councillor and be approved by the council.

If a member needs to book flights and accommodation to get to the professional development course, would that be covered under the Professional Development Allowance?

The Determination does not specify if the Professional Development Allowance may be claimed for the costs (including travel, accommodation and meals) in attending a training course approved by Council. Whether or not these related costs can be claimed is a matter of council policy.

For proof of completion of a professional development course, will a pass grade be required (if applicable) or will a confirmation of attendance from the provider be suitable?

The Determination does not specify requirements for attendance or passing a course in order to be eligible for the Professional Development Allowance. This should continue to be managed in line with council policy.

If a professional development course or several courses will cost more than the yearly allowance, can a councillor use their allowance for the following year?

Yes, as long as it is still within their elected term. The Determination sets out in paragraph 5.4 that a total of two years' worth of allocations can be used in one financial year, as long as the councillor would still be within their elected term. Alternatively, if a councillor uses part or none of the allowance in one financial year, the allowance will be carried over for the following financial year only, although it will not continue to be carried across further years, even if the councillor is still in term during those years. For example, if the allowance is not accessed for two years, the councillor will lose access to one years' worth of the allowance.

If a council member does not wish to attend any professional development courses, can their allowance go towards other council members to top up their allowance, for example be pooled for others to use?

No, the Professional Development Allowance is capped at \$1,000 per financial year for each councillor and principal member of community councils (if approved by council) and \$4,000 per financial year for each member of municipal and regional councils. If a council member does not access any of their Professional Development Allowance it cannot be accessed by other council members that have exhausted their capped allowance and it does not get pooled towards any other allowance or person.

6 – Vehicle allowance

The reimbursement for vehicle use at the Australian Taxation Office (ATO) rate (78 cents per kilometre in 2022-23) may not fully compensate members for travel time or wear and tear on their vehicles. Is there a way the council can 'top up' the allowance?

No, nothing can be paid above the ATO rate to compensate for vehicle usage.

Frequently asked questions

Can a council member claim a Vehicle Allowance for travel outside of the council's jurisdiction?

Yes, as long as the member is not receiving a vehicle provision or travelling in a council vehicle, and it falls within the circumstances set out in paragraph 6.3. For example, a council member may need to travel outside of the council's jurisdiction to attend an approved function over 50 kilometres from home.

If a councillor travels 30 kilometres from home in their private vehicle to attend an approved meeting/activity, will the councillor be eligible for the vehicle allowance?

No, for a councillor to be eligible for the Vehicle Allowance, they must also travel more than 50 kilometres from their home to attend a meeting/activity with a minimum round trip of 100 kilometres.

What happens if a councillor's vehicle allowance exceeds the capped amount?

The Vehicle Allowance is capped at \$5,000 per financial year for each councillor. If a councillor reaches the capped amount, the councillor is not eligible for further Vehicle Allowances for that financial year and reimbursement cannot be sought in the following year. However, in some circumstances, kilometres not claimed for an allowance, might be claimable as a tax deduction.

Are councillors required to keep a logbook to claim the Vehicle Allowance?

The Determination does not specify requirements for councillors to keep a logbook. However, subject to council policy, it is important for councillors to keep thorough documentation and records when claiming reimbursement for vehicle expenses. Maintaining a diary, logbook or using GPS-enabled phone applications are acceptable methods for tracking travel and keeping accurate records.

7 – Provision of motor vehicle

Is it the council's or the principal member's decision whether to have a vehicle provided or a Vehicle Allowance? For example it may be financially better for the principal member to take an allowance, but financially better for the council to provide a vehicle.

For municipal and regional councils, it is the council's decision whether to provide the principal member with a vehicle or the Vehicle Allowance. However, a council should support its principal member. Accordingly, councils are encouraged to find out what the principal member's preference is, and where reasonable to do so, accommodate that preference.

If a council member is acting as principal member, do they gain access to the principal member's Vehicle Allowance at paragraph 7.2?

No, an acting principal member does not receive any additional allowances under the Determination. They will only be eligible for their usual Vehicle Allowance set out in paragraph 6. However, they may attend more meetings or activities than they otherwise would and be eligible for more Extra Meeting/Activity Allowance payments.

8 - Travel allowance

Can I claim the daily Travel Allowance and/or breakfast, lunch or dinner for a full day trip from 7am to 7pm whilst on approved Council business?

No, Travel Allowance including food, drinks, incidentals and the daily allowance cannot be claimed for day trips.

Frequently asked questions

Can a council member claim the Travel Allowance if they are attending a meeting or activity outside of the Northern Territory?

Yes, as long as they are staying away from home overnight and are on approved Council business. Table 1 of the Taxation Determination TD 2021/6 sets out the applicable rates for each city/location.

Can a council member claim both the Vehicle Allowance and the Travel Allowance for the same trip?

The Travel Allowance covers incidentals such as costs of transportation. If a council member claims incidentals for transportation costs, then the Vehicle Allowance cannot be accessed. However, subject to council policy, a council member may wish to claim the Vehicle Allowance for the kilometres travelled and only receive the Travel Allowance for meals and accommodation expenses. In another situation, a council member may drive more than 50 kilometres from their home to the airport, then catch a flight to attend council business and fly back to the airport the following day. The Vehicle Allowance could be claimed for the kilometres travelled to and from the airport and the Travel Allowance claimed for the time between arrival at and departure from the airport.

9 - General

When will the Determination come into effect since it was tabled at the NT Legislative Assembly on 14 February 2023?

The Determination is considered made on the date it was signed by the Tribunal, which was 24 January 2023. This means that it comes into effect on 1 July 2023.

Other Q&As

Can a member get paid an allowance in advance?

The Determination does not specify requirements for payments of allowances. Allowances for council members are normally paid in arrears. This means that the allowances are paid after the completion of a specified period of time, usually a month. The exact timing of the payments may vary depending on the specific council and their payment cycle. However, it is common for councils to have established policies and procedures in place for the payment of allowances to council members.

What is the legal basis for the Determination? Do councils have to follow it?

In accordance with section 353 of the *Local Government Act 2019, Guideline 2A: Council member allowances* was re-made under section 71(2) of *Local Government Act 2008* and is continued in force as a transitional arrangement until the Remuneration Tribunal makes a determination under section 7B of the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006*. Therefore councils will need to continue to comply with the *Guideline 2A* until 30 June 2023, then comply with the Determination from 1 July 2023. Not following the Determination would be a breach of the *Local Government Act 2019* and could potentially be improper conduct under the *Independent Commissioner Against Corruption Act 2017*. In addition, not following the Determination could result in allowances having to be repaid by members following an audit.

Are the allowances taxed?

Some are and some are not, it is a council member's own responsibility to seek taxation advice for their particular circumstances and to keep receipts and accurate records.

Frequently asked questions

Does the Determination have to be approved by the Minister for Local Government?

No, the Remuneration Tribunal is independent from the Minister. The Tribunal's Determination is final and requires no further approval.

Will the Remuneration Tribunal carry out reviews/audits on councils' compliance with its Determination?

No, the Department of the Chief Minister and Cabinet is responsible for administering the *Local Government Act 2019*. While the Determination is made under the *Assembly Members and Statutory Officers (Remuneration and Other Entitlements) Act 2006*, it is section 106 of the *Local Government Act 2019* that requires allowances to be paid in accordance with the Determination. Compliance reviews or investigations carried out by the Department of the Chief Minister and Cabinet may consider if a council has correctly followed the Determination.

How can I access the full Report and Determination tabled in the NT Legislative Assembly?

You can access the Remuneration Tribunal's reports and determinations via cmc.nt.gov.au.

If you have a query relating to the Determination, contact the Local Government Unit, Department of the Chief Minister and Cabinet via LGQuestions.CMC@nt.gov.au.

17.2 FINANCE REPORT FOR THE MONTH OF FEBRUARY 2023

FOLDER ID : \COUNCIL MEETING ADMINISTRATION\ORDINARY MEETING OF COUNCIL\ORDINARY MEETING OF COUNCIL (OMC) - AGENDA\ORDINARY MEETING OF COUNCIL (OMC) - AGENDA 2023\OMC - AGENDA 2023 - MARCH/177372

AUTHOR : AVTAR SINGH, DIRECTOR OF CORPORATE SERVICES

AUTHORISER : INGRID STONHILL, CHIEF EXECUTIVE OFFICER

ATTACHMENT/S : 1. MONTHLY REPORT - FINANCE - FEB 2023 - ATTACHMENT .PDF  

OFFICER RECOMMENDATION

1. That Council endorse the Finance Report for the Month of February 2023.

PURPOSE OF REPORT

The purpose of this report is to present to Council the Financial Report for February 2023.

COMMUNITY PLAN/STRATEGIC PLAN

Priority Four	Growth and Sustainability	Lead with Best Practice	Be prudent with our financial management for stronger returns for ratepayers and sustainable long-term finances with current risk management practices current at all times.
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BACKGROUND

In accordance with the Local Government (General) Regulations 2021 – Part 2 (Division 7), the below monthly report must be presented to Council at their Ordinary Monthly Council Meeting. Accordingly, the commentary attached presents the financial position of the council at the end of February 2023 with the Chief Executive Officer (CEO) Certification.

KEY MESSAGES

- Internal Restricted Assets will be reviewed in conjunction with the Draft Restricted Assets Policy once approved by Council.
- Total YTD income is 3.08% below budget mainly due to the timing of Operating Grants and Subsidies receipts.

- Total YTD operating expenditure is 8.46% below budget.
- Employee Costs are below budget by 12.22% as some positions remained vacant.
- Materials/Services are below budget by 10.81% due to timing of the spending.
- Elected Members Allowances is below budget as the payments for February allowances were made in March 2023.
- Monthly creditor payments have been made to all known suppliers with payments made weekly.
- 95.70% of our Infringements are outstanding longer than 90 days with 91.6% of these being outstanding longer than 1 year to less than 3 years.
- 5% of our Debtors (excluding rates and infringements) are outstanding for longer than 90 days.
- We expect to receive \$9.7M in rates payment this financial year.
- 26.23% of our outstanding rate balance reflects rates outstanding for prior financial years (2021/2022 FY and prior).
- This February report does not include the cash flow statement as we are finalising the opening balances adjustments in the new Xero data file as part of the accounting system migration. We will present it in the March 2023 report.
- As part of the new Local Government (General) Regulations 2021, information about the age of debts by Council and tax responsibilities are included in this Report, as well as information about Councillors expenses and the CEO certification.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER

I, Ingrid Stonhill, the Chief Executive Officer of Katherine Town Council, hereby certify that to the best of my knowledge, information, and belief:

- The internal controls implemented by Council are appropriate; and
- The Council's Finance Report for February 2023 best reflects the financial affairs of the Council.

Ingrid Stonhill
CHIEF EXECUTIVE OFFICER

Table 1. Income and Expense Statement – Actual v Budget

INCOME AND EXPENSE STATEMENT FOR THE PERIOD ENDING FEBRUARY 2023	YTD Actuals \$	YTD Budget \$	YTD Variance \$	Approved Annual Budget \$
OPERATING INCOME				
Rates	9,841,371	9,704,076	137,295	9,704,076
Statutory Charges	49,173	38,231	10,942	57,346
User Fees and Charges	1,164,847	1,436,083	- 271,236	2,154,125
Operating Grants and Subsidies	787,280	1,481,000	- 693,720	2,221,500
Interest / Investment Income	337,369	18,667	318,702	28,000
Other Income	161,845	56,667	105,179	85,000
TOTAL INCOME	12,341,885	12,734,723	- 392,838	14,250,047
OPERATING EXPENSES				
Employee Expenses	3,379,539	3,849,951	- 470,412	5,774,926
Materials and Contracts	3,749,324	4,203,677	- 454,353	6,305,516
Elected Member Allowances	147,587	179,779	- 32,192	269,669
Depreciation, Amortisation and Impairment	2,282,855	2,282,855	-	3,424,283
Other Expenses -Insurance	529,046	503,888	25,158	503,888
TOTAL EXPENSES	10,088,351	11,020,151	- 931,799	16,278,282
OPERATING SURPLUS / DEFICIT	2,253,534	1,714,573	538,961	- 2,028,235
Capital Grants Income	437,185	-	437,185	-
SURPLUS / DEFICIT	2,690,719	1,714,573	976,146	- 2,028,235
Capital Expenses	1,366,490	930,650	435,840	1,395,975
Borrowing Repayments (Principal Only)	-	-	-	-
Transfer to Reserves	-	-	-	-
Less Non-Cash Income	-	-	-	-
Add Back Non-Cash Expenses Depn	- 2,282,855	- 2,282,855	-	- 3,424,283
NET SURPLUS / DEFICIT	3,607,084	3,066,778	540,306	73
Prior Year Carry Forward Tied Funding			-	
Other Inflow of Funds	6,375		6,375	
Transfers from Reserves	-		-	
TOTAL ADDITIONAL INFLOWS	6,375	-	6,375	-
NET OPERATING POSITION	3,613,459	3,066,778	546,681	73

Table 2. Monthly Balance Sheet Report

BALANCE SHEET AS AT FEBRUARY 2023	YTD Actuals \$	Note Reference
ASSETS		
Cash at Bank		(1)
Restricted Funds	14,825,804.30	
Unrestricted Funds	4,039,969.17	
Accounts Receivable		
Trade Debtors	798,746.60	(2)
Rates & Charges Debtors	2,758,959.87	
Other Current Assets	10,181.13	
TOTAL CURRENT ASSETS	22,433,661.07	
Non-Current Financial Assets	9,608,153.58	
Property, Plant and Equipment	89,920,482.33	
TOTAL NON-CURRENT ASSETS	99,528,635.91	
TOTAL ASSETS	121,962,296.98	
LIABILITIES		
Accounts Payable	1,899,788.81	(3)
ATO & Payroll Liabilities	57,118.32	
Current Provisions	652,070.50	
Accruals		
Other Current Liabilities		
TOTAL CURRENT LIABILITIES	2,608,977.63	
Non-Current Provisions	63,066.04	
Other Non-Current Liabilities	7,186,655.00	
TOTAL NON-CURRENT LIABILITIES	7,249,721.04	
TOTAL LIABILITIES	9,858,698.67	
NET ASSETS	112,103,598.31	
EQUITY		
Asset Revaluation Reserve	75,549,402.03	
Reserves	6,688,161.06	
Accumulated Surplus	29,866,035.22	
TOTAL EQUITY	112,103,598.31	

0.00

Note 1. Details of Cash and Investments Held
CASH AND INVESTMENTS as at 28 FEBRUARY 2023

GENERAL FUND	\$
Commonwealth Bank	
Balance as per bank statement, 28 February 2023	1,947,465
Credit card balances	165
Balance of Imprest and Petty Cash	1,351
Plus net outstanding deposits/(withdrawals)	45,795
Adjusted cash at bank balance, 28 February 2023	1,994,775

INVESTMENTS						
FINANCIAL INSTITUTION	\$	RATE	DATE	DATE	INSTITUTION	
AMP (oncall)	1,160,114.13	0.50%	on call	on call		
AMP	1,090,404.83	3.80%	9-Sep-22	9-Mar-23		
AMP	2,159,792.29	3.80%	9-Sep-22	9-Mar-23		
AMP	3,583,200.17	3.80%	9-Sep-22	9-Mar-23		
AMP	1,000,000.00	4.05%	6-Oct-22	6-Apr-23		
AMP	900,000.00	4.30%	4-Oct-22	4-Apr-23		9,893,511
Commonwealth Bank	2,540,000.00	3.63%	2-Sep-22	1-Mar-23		
Commonwealth Bank	2,540,000.00	3.63%	2-Sep-22	1-Mar-23		7,011,532
Commonwealth Bank (oncall)	931,532.23	0.45%	on call	on call		
Commonwealth Bank	1,000,000.00	0.85%	9-Oct-22	9-May-23		
Total Investments						16,905,044
Total Funds						18,899,819

Internally Restricted Funds			\$	
	WMF Make-Good Provision		7,186,655	
	Capital Renewal Reserve		4,987,646	
	Contingency reserve		1,000,000	
	Council Election Reserve		100,000	
	Council motion reserve		600,515	
	Provision for Employees		715,137	
	RESTRICTED FUNDS			14,589,953
Unrestricted funds				4,074,015
Unexpended Capital grants- Restricted Funds				234,501
Imprest and Floats - Restricted Funds				1,351
Total Funds				\$ 18,899,819

Note 2. Statement on Debts Owed to Council (Accounts Receivable)

Council can select timing of age of debtor	1 – 30 Days	31 – 60 Days	>60 Days	TOTAL
Rates Debtors	1,818,374.95	\$	\$ 646,579	\$ 2,464,954
Sundry Debtors	373,555.19	\$ 10,055	\$ 19,105	\$ 402,715
Weighbridge Debtors	69,668.60	\$ 2,497	\$ 4,360	\$ 76,525
Infringement - Animal	408.00	\$ 136	\$ 7,000	\$ 7,544
Infringement - Parking	-	\$ -	\$ 4,825	\$ 4,825
Infringement - Litter/Camping	-	\$ -	\$ 338.00	\$ 338
TOTAL	2,262,006.74	\$ 12,687	\$ 682,207	\$ 2,956,902

Arrears continue to be followed especially in the area of rates. Infringement notices unpaid from previous month have been forwarded to Fines Recovery Unit (FRU) for follow up. Sundry and Weighbridge debtors continue to be followed up on greater than 60 days.

Note 3. Statement on Debts Owed by Council (Accounts Payable)

Council can select timing of age of creditor	1 – 30 Days	31 – 60 Days	>60 Days
Trade Creditors	201,223.31	0	0
Other Creditors	\$	\$	\$

KTC processes Accounts Payable weekly. Balance owing will be paid in the next payment run after the end of the month.

Note 4. Statement on Australian Tax Office (ATO) and Payroll Obligations

KTC is due to pay this amount to ATO	48,977
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Note 5. Councilor's Allowances and Other Expenses

Councilors Expenses	February	Year to Date
Allowances	18,323.03	\$ 129,263.94
Other Expenditures	459.74	\$ 10,854.34
Total	18,782.77	\$ 140,118.28

Note 6. Current Ratio


Current Ratio	9.39
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17.3 2021-2022 ACQUITTAL - LOCAL GOVERNMENT GRANT - FOOTPATH RENEWAL PROGRAM

FOLDER ID : \COUNCIL MEETING ADMINISTRATION\ORDINARY MEETING OF COUNCIL\ORDINARY MEETING OF COUNCIL (OMC) - AGENDA\ORDINARY MEETING OF COUNCIL (OMC) - AGENDA 2023\OMC - AGENDA 2023 - MARCH/177264

AUTHOR : VIRGINYA BOON, OPERATIONS MANAGER

AUTHORISER : INGRID STONHILL, CHIEF EXECUTIVE OFFICER

ATTACHMENT/S : 1. **ACQUITTAL - IPG 22 - FOOTPATH RENEWAL PROJECT.PDF** [↓](#)


OFFICER RECOMMENDATION

1. That Council receive and note that due to extenuating circumstances the report for the acquittal of the 2021-2022 Local Government Immediate Priority Grant – Footpath Renewal Program is overdue.
2. That Council accept the partial acquittal of the 2021-2022 Local Government Immediate Priority Grant – Footpath Renewal Program for \$189,707.72 and forward the overdue report, with an explanation of extenuating circumstances to the Department of the Chief Minister and Cabinet.
3. That Council request an extension from the Department of the Chief Minister and Cabinet for the 2021-2022 Local Government Immediate Priority Grant – Footpath Renewal Program to 30 June 2023.

PURPOSE OF REPORT

To partially acquit the 2021-2022 Local Government Immediate Priority Grant for the Footpath Renewal Program of \$150,000.

STRATEGIC PLAN

Priority Four	Growth and Sustainability	Better Infrastructure	Develop a shared pathways strategy and potential projects
Priority One	Strong Leadership	Financial	Pursue grants for new and upgraded infrastructure and programs

BACKGROUND

In November 2021 Council applied to the Northern Territory Government through the Immediate Priority Grant for a Footpath Renewal Program following an assessment of the entire footpath network. The amount applied for was \$150,000 and Council was also contributing \$150,000 for this project making it a \$300,000 project in total. On the 12 January 2022 Council received notification of successful application and approved funding of \$150,000, on the condition as per the scope

submitted in the funding application. The project completion date was 31 January 2023 and acquittal required by 28 February 2023.

DISCUSSION

Attached is the 2021/2022 Footpath Renewal Project acquittal. The project has enabled footpath repairs and renewals at Giles Street, corner of First and Giles Street, Raymond Place, Maluka Road, O'Shea Park, O'Shea Terrace, Katherine Airport, Grevillea Drive and Riverbank Drive. To date Council has expended \$189,707.72 leaving an unspent amount of \$110,292.28.

Council have had issues with engagement of contractors to complete the works in the timeframe. Council is working on having the allocation of \$110,292.28 spent by the end of the current financial year. Two further sections of footpath repairs have been committed with contractors and the remaining works are being quoted on. A request for an extension to 30 June 2023 to fully expend the grant will be submitted to the Department along with this acquittal.

BUDGET AND RESOURCE IMPLICATIONS

Council have committed to the grant on a matched funding basis. If the request to extend the grant period to 30 June 2023 to complete the project is not approved then the acquittal will see a variation in expenditure against the grant, which may result in council having to return committed funds.

RISK, LEGAL AND LEGISLATIVE IMPLICATIONS

Contractor availability is impacting on completing works within agreed timeframes. Council may not be able to engage contractors to complete the remaining works in the proposed extension timeframe but are proactively managing this risk.

COUNCIL OFFICER CONFLICT OF INTEREST

We the Author and Approving Officer declare we do not have a conflict of interest in relation to this matter.

