

# Implementation Plan for Local Government Capacity Building Project - Northern Territory

## NATIONAL PARTNERSHIP AGREEMENT TO SUPPORT LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

### PRELIMINARIES

1. This Implementation Plan is created subject to the provisions of the **National Partnership Agreement to Support Local Government and Regional Development** and should be read in conjunction with that Agreement. The objective of the National Partnership Agreement is to improve the capacity, resilience and infrastructure in communities and build capacity and resilience of local governments.
2. Consistent with Schedule B (Local Government Reform Fund) of the National Partnership Agreement, the Commonwealth has agreed to provide financial assistance of \$1,350,000 to accelerate the implementation of the Local Government and Planning Ministers' Council agreed asset and financial management frameworks by improving the financial sustainability and financial and asset management of Northern Territory councils.
3. Where there are inconsistencies between this Implementation Plan and the Guidelines for Regional Development and Local Government Programs, the provisions of the National Partnership Agreement will apply.

### TERMS OF THIS IMPLEMENTATION PLAN

4. This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Minister responsible for Regional Australia, Regional Development and Local Government, and the Northern Territory, represented by the Minister responsible for Local Government.
5. This Implementation Plan will cease on completion of the project, including the acceptance of final performance reporting and processing of final payments against project milestones specified in this Implementation Plan.
6. This Implementation Plan may be varied by written agreement between the Ministers.
7. Either Party may terminate this agreement by providing 30 days notice in writing. Where this Implementation Plan is terminated, the Commonwealth's liability to make payments to the Territory is limited to payments associated with project milestones achieved by the Territory at the date of effect of termination of this Implementation Plan.

8. The Parties to this Implementation Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to this Implementation Plan.

## OBJECTIVES

9. The objectives of this Implementation Plan are consistent with the objective of the National Partnership Agreement to Support Local Government and Regional Development and will:
  - (a) maximise Northern Territory councils' financial sustainability to support continued provision of services to their communities over the long term;
  - (b) increase Northern Territory councils' ability to effectively manage their current and future performance using a consistent 'whole of council' perspective which brings together their financial and asset management operations for reporting and management purposes; and
  - (c) build Northern Territory councils' capability through facilitating regional collaboration.

## OUTPUT

10. The output of this Implementation Plan will be a program of activities which equips officers and councillors of all Northern Territory councils with an enhanced understanding of their council's financial sustainability and skills to improve their asset and financial management frameworks, strengthen council business processes, and facilitate regional collaboration between councils. The program of activities will:
  - (a) deliver training to council staff and elected members from all Northern Territory councils to improve their understanding of their roles and responsibilities in long term planning, and of the importance of sound asset management and financial management as part of integrated planning;
  - (b) implement organisational, governance and business processes in all Northern Territory councils, aligned with the asset management and financial planning tools and processes developed by the Institute of Public Works Engineering Australia (IPWEA); and
  - (c) develop regional support networks which assist councils in building and maintaining long term plans and asset and financial management systems.

A core element of this program will be a series of workshops for councillors and relevant staff from all NT councils, tailored to the needs of participants, and based on IPWEA tools and programs including:

- Sustainable Communities training program;
- Australian Infrastructure Financial Management Guidelines (AIFMG); and
- NAMS.PLUS Asset Management initiative, which is designed to assist councils to develop a core asset management plan and implement sustainable asset management practices.

## ROLES AND RESPONSIBILITIES

### Role of the Commonwealth

11. The Commonwealth is responsible for reviewing the Northern Territory's performance against the project milestones specified in this Implementation Plan and providing any consequential financial contribution to the Northern Territory for that performance.

## Role of the State

12. As this project is being implemented jointly by a Northern Territory government agency and a Local Government Participating Authority (LGPA) - the Local Government Association of the Northern Territory (LGANT) - the Northern Territory is responsible for all aspects of project implementation, including:
  - (a) fully funding the project, after accounting for financial contributions from the Commonwealth and any third party;
  - (b) overall management of the project and appointing the project management team;
  - (c) establishing a steering committee which it will co-chair with the LGPA;
  - (d) completing the project in a timely and professional manner in accordance with this Implementation Plan; and
  - (e) meeting all conditions and project milestones including providing reports in accordance with this Implementation Plan.

## Role of the Local Government Participating Authority

13. The LGPA, the Local Government Association of the Northern Territory (LGANT), will work jointly with the Department of Housing, Local Government and Regional Services (the Department) in the administration and management of the project, including co-chairing the steering committee with the Department and providing representation on the committee.
14. The officers and councillors of Northern Territory councils will work with the Department, LGANT and IPWEA (the project consultants) as necessary to deliver the project outputs.

## PERFORMANCE BENCHMARKS AND FINANCIAL ARRANGEMENTS

15. The maximum financial contribution to be provided by the Commonwealth for the project is \$1,350,000 payable in accordance with project milestones set out in Table 1. All payments are exclusive of GST.

**Table 1: Project milestones and associated payments**

| Project milestone  | Due date                                  | Amount    |
|--|---|-----------|
| <i>Project initiation</i>  | <i>Expected by</i>                        |           |
| (i) Agreement to the Implementation Plan.  | 10 Dec 2010                               | \$337,500 |
| <i>Project implementation</i>  | <i>Expected by</i>                        |           |
| (ii) A project manager and specialist team are engaged.  | 31 Jan 2011                               |           |
| <i>Stage 1</i>   | <i>Expected by</i>                        |           |
| (iii) All participating councils have become NAMS.PLUS members with access to necessary resources.   | 28 Feb 2011                               |           |
| (iv) Round 1 - Workshops held in up to 5 locations including Darwin, Katherine and Alice Springs for councillors and relevant staff: <ul style="list-style-type: none"> <li>• first 5 councillor workshops - Sustainable Communities training program.</li> <li>• first 3 municipal staff workshops - Australian Infrastructure Financial Management Guidelines (AIFMG) training program.</li> <li>• first 3 shire staff workshops - AIFMG training program.</li> </ul>  | 30 Apr 2011                               |           |
| (v) Council business system AIFMG / NAMS PLUS gap analysis completed.  | 30 Jun 2011                               |           |
| (vi) Regional coordinators are in place and have initiated networking and information sharing between councils.  | 30 Jun 2011                               |           |
| (vii) Round 2 - Workshops held in up to 5 locations including Darwin, Katherine and Alice Springs for councillors and relevant staff: <ul style="list-style-type: none"> <li>• first 3 municipal staff workshops - NAMS.PLUS training program.</li> <li>• first 3 shire staff workshops - Asset Management in Small Communities (modified NAMS PLUS).</li> <li>• initial workshop for shire councils - data requirements and setting up asset registers.</li> </ul>  | 30 Jul 2011<br>30 Jul 2011<br>30 Jul 2011 |           |
| <i>Progress Report</i>   |   |           |
| (viii) Submission of progress report by the Territory.   | 5 Aug 2011                                |           |
| (ix) Acceptance of progress report by the Commonwealth.  | 5 Sep 2011                                | \$877,500 |
| <i>Stage 2</i>   | <i>Expected by</i>                        |           |
| (x) Asset data collection field training and data collection completed.  | 28 Feb 2012                               |           |
| (xi) Regional support networks are in place to assist councils to support each other in planning and asset and financial management.   | 28 Feb 2012                               |           |
| (xii) Workshops held in up to 5 locations including Darwin, Katherine and Alice Springs for councillors and relevant staff: <ul style="list-style-type: none"> <li>• final 5 councillor workshops - Sustainable Communities training program.</li> <li>• final 2 municipal staff workshops - AIFMG training program.</li> <li>• final 2 shire staff workshops - AIFMG training program.</li> <li>• final 3 municipal staff workshops - NAMS.PLUS training program.</li> <li>• final 3 shire staff workshops - Asset Management in Small Communities (modified NAMS PLUS).</li> </ul> | 10 April 2012                             |           |
| <i>Project completions</i>   | <i>Expected by</i>                        |           |
| (xiii) Project completed.  | 12 Apr 2012                               |           |
| (xiv) Independent project evaluation completed.*   | 2 May 2012                                |           |
| (xv) Submission of final project report by the Territory.  | 4 May 2012                                |           |
| (xvi) Acceptance of final project report by the Commonwealth.  | 4 June 2012                               | \$135,000 |

\* The independent project evaluation report will be a stand-alone document that can be used for public information dissemination purposes regarding the project. The report will describe the conduct, benefits and outcomes of the project as a whole and evaluate the project. The evaluation will assess the extent to which the objective in this Implementation Plan has been achieved and explain why any aspects were not achieved. The report will also include a discussion of any other matters relating to the project, limited to the minimum necessary for the effective evaluation of the project, which the Commonwealth notifies the Territory should be included in the independent project evaluation report at least 30 days before it is due.

16. Any Commonwealth financial contribution payable will be processed by the Commonwealth Treasury and paid to the Territory Treasury in accordance with the payment arrangements set out in Schedule D of the *Intergovernmental Agreement on Federal Financial Relations*.

## BUDGET

17. The overall estimated project budget (exclusive of GST) is set out in Table 2.

**Table 2: Overall estimated project budget - 2010-12**

|  | C'wealth           | Territory        | LGANT            | Total              |
|--|--------------------|------------------|------------------|--------------------|
| (i) IPWEA workshops  | \$357,500          |                  |                  | \$357,500          |
| (ii) IPWEA operational   | \$250,000          |                  |                  | \$250,000          |
| (iii) NAMS.PLUS access   | \$52,500           |                  |                  | \$52,500           |
| (iv) NAMS.PLUS materials   | \$30,000           |                  |                  | \$30,000           |
| (v) NAMS.PLUS ongoing support  | \$90,000           |                  |                  | \$90,000           |
| (vi) NAMS regional project officers  | \$260,000          | \$150,000        |                  | \$410,000          |
| (vii) Project manager  | \$150,000          | \$50,000         |                  | \$200,000          |
| (viii) Asset data field training and collection  | \$70,000           | \$50,000         |                  | \$120,000          |
| (ix) Business analyst for gap analysis   | \$90,000           |                  |                  | \$90,000           |
| (x) Contract management, project co-ordination and collaboration, reporting and assessment support |                    | \$112,000*       |                  | \$112,000*         |
| (xi) LGANT infrastructure services, advice and joint management of the project                     |                    |                  | \$60,000*        | \$60,000*          |
| <b>TOTAL</b>   | <b>\$1,350,000</b> | <b>\$362,000</b> | <b>\$60,000*</b> | <b>\$1,772,000</b> |

\* In-kind contribution.

## REPORTING ARRANGEMENTS

18. The Territory will provide a progress report to the Commonwealth to demonstrate its achievement of project milestones set out in Table 1.
19. The progress report will contain the following information:
- a description of actual performance of the project to date against the project milestones, including details of the completion of activities;
  - details of mitigating circumstances and remedial action undertaken in the event a project milestone is not met by the time specified;
  - a description of the work that will be undertaken to complete the remaining project milestones and any expected promotional opportunities during the next reporting period; and
  - any other information requested by the Department of Regional Australia, Regional Development and Local Government (the Department), limited to the minimum

necessary for the effective evaluation of the project, which the Commonwealth notifies the Territory should be included in the progress report at least 30 days before it is due.

20. The progress report must be accompanied by written confirmation from the Territory that milestones have been met in accordance with the agreed Implementation Plan.
21. The final project report is due by 4 May 2012 or - if this Implementation Plan is terminated in accord with paragraph 7 - within 60 business days of termination.
22. The final report will include evidence that the project was completed in the specified manner and the program aims were reached, including that the milestones were met and the project was completed in a timely manner.

## ACKNOWLEDGEMENT AND PUBLICITY

23. The Australian Government or its nominee will be given the option to attend and/or participate in organised activities, such as media events, or alternatively may request Territory cooperation in creating one.
24. The Australian Government's financial support shall be acknowledged in all publications, promotional material, and activities relating to this project. The responsible Commonwealth Department will be notified prior to any published acknowledgement.

## NOTICES

25. A notice relating to this project, rather than the Agreement generally, is to be in writing and dealt with as follows:
  - a) if given by the State to the Commonwealth:

General Manager  
Office of Northern Australia and Regional Projects  
Department of Regional Australia, Regional Development and Local Government  
GPO Box 803  
CANBERRA ACT 2601
  - b) if given by the Commonwealth to the Territory:

Senior Executive Director  
Local Government, Regional and Community Services  
Department of Housing, Local Government and Regional Services  
GPO Box 4621  
DARWIN NT 0801