

**LOCAL GOVERNMENT
REGIONAL MANAGEMENT PLAN**

NORTHERN REGION

31 August 2008

INTRODUCTION

This Local Government Regional Management Plan (RMP) for the Northern Region is a statutory instrument under part 3.1 of the new *Local Government Act 2008* (NT).

It came into effect on 1 July 2008 and has a term of 4 years.

The local government bodies covered by terms of this plan are:

- i) West Arnhem Shire Council
- ii) East Arnhem Shire Council
- iii) Tiwi Islands Shire Council
- iv) City of Palmerston [By agreement]
- v) Darwin City Council [By agreement]
- vi) Litchfield Council [By agreement]
- vii) Coomalie Council
- viii) Cox Peninsula Council
- ix) Belyuen Council

The Plan is set out in five sections.

Background provides an overview of the local government reform.

Section A sets out the opportunities and challenges for local government service delivery in the region.

Section B provides an overview of the regulatory and planning framework for local government in the region.

Section C sets out existing and potential cooperative arrangements between local governments within the region and between local governments and other organisations and agencies with interests in the region.

Section D identifies core local government services and specifies the locations within each shire where core services must be delivered.
(This section does not apply to municipal councils.)

Background

1. New Local Government

In October 2006, the Minister for Local Government announced that the Northern Territory Government had decided to introduce a new framework of local government that would involve incorporation of the vast majority of the Territory. There will be five municipal councils and 11 shire councils.

A detailed Implementation Plan to enable the establishment of the shire councils by 1 July 2008 was adopted and the Government released 'indicative' shire boundaries for public consultation in January 2007.

The Minister established a Local Government Advisory Board, with an independent chair, and provided the Board with terms of reference to advise him directly on all major issues relating to the establishment and operation of the shires, the legislative changes to provide for the reform, and the development of regional management plans.

A Transition Committee was also established for each shire area to enable local input into the shire boundaries, ward boundaries, governance and representative issues and the development of the shire plan. Each current local government council within the area was given membership on the Transition Committee.

Amendments were made to the *Local Government Act* and the *Associations Act* in August 2007 to assist the smooth transition to the new shires. The Minister was provided with the power to make re-structuring orders. Local government bodies that had been incorporated under the *Associations Act* were converted to the *Local Government Act*, while still retaining their corporate identities, funding and assets until 1 July 2008.

The Minister subsequently made re-structuring orders to establish 'prospective' shires and defer council elections by gazettal on 17 October 2007. The transition of the Association councils also occurred by gazettal on the same date.

2. Local Government Act

The new Local Government Act 2008 (the new Act), to provide for the local government reforms, was tabled at the February 2008 Sittings of the Legislative Assembly and passed on 7 May 2008. At Part 3.1, Section 16 of the new Act there is a requirement that a regional management plan be developed for each of the three regions described in Schedule 1.

A RMP is primarily the product of consultation between interested councils in the region and between those councils and the Agency (the Department with responsibility to administer the Act). In this case the responsible Agency is the Department of Local Government and Housing (DLGH). A municipal council may

participate in the consultation regarding the RMP for its region but is not obliged to do so.

The Local Government Association of the Northern Territory (LGANT) may also participate in consultation regarding each RMP.

The new Act requires that RMPs address particular matters. They are to include a description of the challenges and opportunities for local government within the region; address the administrative and regulatory framework for local government service delivery; list any existing or potential cooperative arrangements involving local government in the region, either among councils themselves or with other bodies; and, identify core local government services and the communities to which they must be delivered by the shire councils.

The new Act specifically provides for a RMP to include the joint management of facilities by councils, such as a regional cemetery or regional waste management facility. Cooperative arrangements, with regards to resource sharing and development at a regional level, are intended to provide service delivery efficiencies, including the benefits of economies of scale. They are also to facilitate engagement with governments and the private sector in the development of the region.

An RMP is to operate for a term of 4 years, when it is to be replaced by a revised Plan. A draft of a new RMP, reflecting the results of consultation, must be published on the Agency's website at least 4 months before it is due for commencement.

As part of the consultation process a notice is published on the Agency's website and in a newspaper circulating generally throughout the Northern Territory inviting written representations regarding the draft RMP, within a period (at least 1 month) specified in the notice, from interested persons. The draft regional management plan and the notice inviting written representations must also be published on the website of any councils whose area is within the relevant region.

The final version of an RMP is to be published on the Agency's website and relevant council websites.

The new Act provides that a Plan may be amended by agreement between the Agency and the councils in the region at any time during its term.

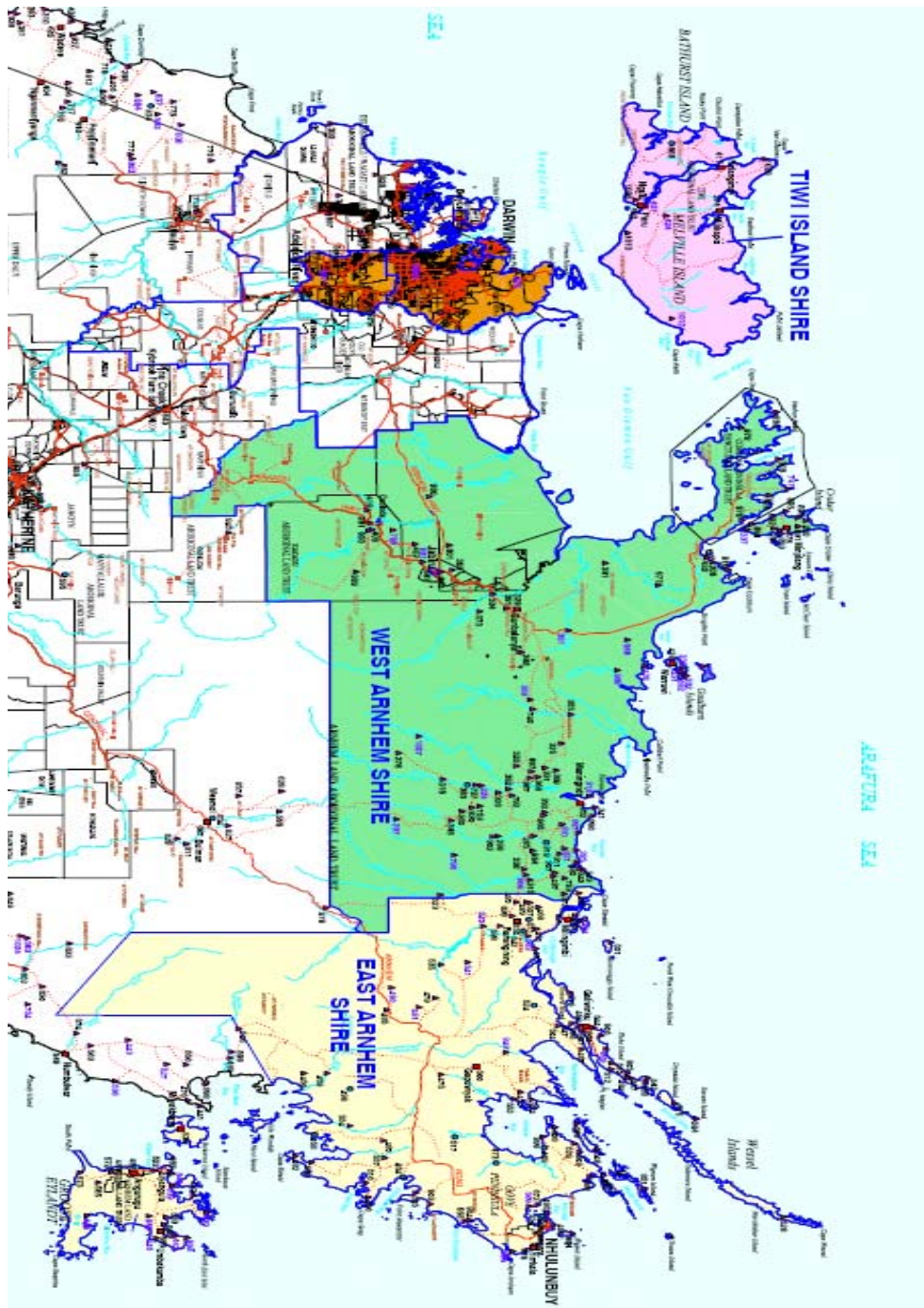
The Agency is to report annually to the Minister for Local Government on the performance of councils as measured against the relevant RMP. The report is to consider the manner in which the councils have responded to the challenges and opportunities for local government in the region. It will discuss the status and outcomes of cooperative arrangements identified in the plan. The report will also comment on the delivery of core local government services to prescribed communities.

The new Act requires that the Minister table the Agency's report before the Legislative Assembly within 6 sitting days after receiving it.

There are 3 Regional Management Plans that will cover the Northern Region, Central Region and Southern Region of the Northern Territory.

It should be noted that the first RMPs are relatively rudimentary. The RMPs will be further developed once the new shires come into full effect.

3. Map of Northern Region



Section A – OPPORTUNITIES AND CHALLENGES FOR LOCAL GOVERNMENT SERVICE DELIVERY

1. Challenges and opportunities for local government working cooperatively in a regional context

General

The new Shires and existing councils have the challenge of delivering services to residents with differing cultural backgrounds and languages, living in scattered communities across vast areas of the Territory and mainly experiencing severe social and economic disadvantage.

Local governments have the challenge of meeting community expectations for the delivery of an increasing range of services, particularly environmental and community services. An added consideration primarily faced by Municipal Councils is maintenance of ageing physical infrastructure to ensure it remains in good working order.

The development of cooperative relationships between local government councils within a region, and between councils and other organisations and agencies with interests in the region, will improve capacity to provide more efficient services, achieve economies of scale and attract additional resources to the region.

Resource sharing opportunities for local governments may include the sharing of human resources, such as staff with specialised expertise, or physical assets, such as buildings, workshops and plant and equipment where it is practical and cost efficient to do so.

Cooperation between local governments in a region will strengthen the ability to lobby and influence government policy, develop service delivery funding submissions and negotiate major projects with public agencies and private interests for the achievement of regional development outcomes.

Successful outcomes resulting from shared cooperative strategies will assist in building a culture of regional cooperation that will drive the development of future alliances and partnerships.

Northern Region Specific

The Northern Region presents particular challenges and opportunities. The region contains a capital city council (Darwin), a strongly growing satellite city (Palmerston) and a rapidly developing rural area with a combined population of approximately 120,000. With their proximity and similar service delivery requirements, these councils have the opportunity to enter into cooperative arrangements with regards to a regional waste disposal site, a regional cemetery, a regional animal facility and other facilities or activities of mutual benefit.

The East Arnhem, West Arnhem, and the Tiwi Islands Shire Councils are to share a Finance and Administration Centre based in Darwin. This Centre will provide financial management services, payroll, asset accounting, record management and information technology services. Joint procurement arrangements with other shires, and possibly through LGANT to the National Procurement Network, are likely to reduce the high costs of delivering services.

The sharing of physical assets between the shires may be possible. However, the tyranny of distance and the vagaries of the weather will act as a deterrent in some cases. There is potential for sharing knowledge and expertise.

The particular challenges for the East Arnhem, West Arnhem, and Tiwi Islands Shire Councils, include:

- The employment and training of Indigenous people providing municipal services. Barriers include numeracy/literacy levels, language, existing capacity and experience.
- The viability of service delivery to non-council homelands if Resource Centres do not effectively adapt to new funding and shire service delivery models.
- Recruitment and retention of staff.
- Provision of sufficient housing for shire staff and sub-contractors for remote based Headquarters and operations.
- Unforeseen impacts of decisions made by the Australian Government relating to the National Emergency Response on Child Abuse in Northern Territory Indigenous Communities.
- A lack of all-weather roads to support access to some mainland communities, and the large number of island communities in the region. The timely and cost effective transport of shire staff, contractors and cargo across the region is a continual challenge
- Securing 'ownership' of fixed and non-fixed assets necessary to provide shire services.
- Ensuring effective participation and representation of all shire residents in the affairs of the shire.
- Successful transition of suitable existing council operations to private businesses.

2. Local government regional profile

There are 3 'prospective' shire councils in the Northern Region, established by Ministerial re-structuring orders, to prepare for the commencement of the shire councils on 1 July 2008. These are the East Arnhem, West Arnhem, and the Tiwi Islands Shire Councils. In addition there will be three other shire councils (Coomalie, Cox Peninsula and Belyuen) and three municipal councils (Darwin, Palmerston and Litchfield).

Local government Area:

The local government areas covered by this Plan:

| <u>Shire</u> | <u>Area</u> |
|----------------------------|------------------------|
| East Arnhem Shire | 33,659 km ² |
| West Arnhem Shire | 49,236 km ² |
| Tiwi Islands Shire | 7,522 km ² |
| City of Palmerston Council | 52 km ² |
| Darwin City Council | 112 km ² |
| Belyuen | 41 km ² |
| Coomalie | 1,500 km ² |
| Cox Peninsula | 6 km ² |
| Litchfield | 3,100 km ² |

Northern Region Total: 95,228 km²

Estimated Population:

The 'estimated resident population' of each council in the Northern Region is as follows:

| | | |
|---|----------------|------------------|
| West Arnhem Shire Council | 6,591 | (Indigenous 74%) |
| East Arnhem Shire Council | 9,637 | (" 93%) |
| Tiwi Islands Shire Council | 2,512 | (" 92%) |
| Coomalie | 1,225 | (Indigenous 28%) |
| Belyuen | 204 | (Indigenous 95%) |
| Cox Peninsula | 319 | (Indigenous 5%) |
| Litchfield | 16,546 | (Indigenous 6%) |
| City of Palmerston Council | 25,371 | (Indigenous 11%) |
| Darwin City Council | 71,933 | (Indigenous 9%) |
| Northern Region total population | 134,338 | |

Note: The population figures included in this draft are provided on an interim basis pending the release of final 'estimated resident population' figures from the Australian Bureau of Statistics (ABS), Northern Territory Treasury (NTT) and DLGH.

Local Roads:

The total length of local roads for which local government in the Northern Territory is responsible will be expanded. Approximately 8,600 km of local roads that would normally be managed by local government will be transferred from the Department of Planning and Infrastructure to the shires in a staged, negotiated manner post 1 July 2008.

Currently, local government is responsible for the management of 14,131 km of local roads across the Northern Territory. Councils in the Northern Region were responsible in 2006-07 for the following road lengths:

| | |
|----------------------------|----------|
| West Arnhem Shire Council | 1,156 km |
| East Arnhem Shire Council | 1,316 km |
| Tiwi Islands Shire Council | 925 km |
| Coomalie | 163 km |
| Belyuen | 84 km |
| Cox Peninsula | 12 km |
| Litchfield | 709 km |
| City of Palmerston Council | 180 km |
| Darwin City Council | 468 km |
| LGANT roads (estimate) | 441 km |

Northern Region Total: 5,454 km

Council Expenditure:

Total local government expenditure in the Northern Region in 2005-06 was approximately \$190.20m.

The breakdown of this expenditure for each council that constitute the new shires and the municipal councils in the region is shown below:

| | |
|----------------------------|----------|
| West Arnhem Shire Council | \$25.69m |
| East Arnhem Shire Council | \$49.63m |
| Tiwi Islands Shire Council | \$27.70m |
| Coomalie | \$ 2.15m |
| Belyuen | \$ 1.01m |
| Cox Peninsula | \$.41m |
| Litchfield | \$12.01m |
| City of Palmerston Council | \$16.20m |
| Darwin City Council | \$55.40m |

Northern Region Total: \$190.20m

Source: Department of Local Government and Housing

Operational locations

Set out below are the operational locations for the shires in the Northern Region.

| WEST ARNHEM SHIRE COUNCIL | | |
|---------------------------------------|--|------------------------------------|
| HEADQUARTERS | SHARED FINANCE AND ADMINISTRATION CENTRE | COMMUNITY SERVICE DELIVERY CENTRES |
| Jabiru (with Darwin Satellite Office) | Darwin | Maningrida |
| | | Jabiru |
| | | Gunbalanya |
| | | Minjilang |
| | | Warruwi |

| EAST ARNHEM SHIRE COUNCIL | | |
|---------------------------|--|------------------------------------|
| HEADQUARTERS | SHARED FINANCE AND ADMINISTRATION CENTRE | COMMUNITY SERVICE DELIVERY CENTRES |
| Nhulunbuy | Darwin | Milingimbi |
| | | Ramingining |
| | | Galiwinku |
| | | Gapuwiyak |
| | | Yirrkala |
| | | Gunyangara (Marrgarr) |
| | | Angurugu |
| | | Milyakburra |
| | | Umbakumba |

| TIWI ISLANDS SHIRE COUNCIL | | |
|-------------------------------------|--|------------------------------------|
| HEADQUARTERS | SHARED FINANCE AND ADMINISTRATION CENTRE | COMMUNITY SERVICE DELIVERY CENTRES |
| Nguu (with Darwin Satellite Office) | Darwin | Nguu |
| | | Pirlangimpi |
| | | Milikapiti |
| | | Wurankuwu |

| COOMALIE | | |
|--------------|--|------------------------------------|
| HEADQUARTERS | SHARED FINANCE AND ADMINISTRATION CENTRE | COMMUNITY SERVICE DELIVERY CENTRES |
| Batchelor | N/A | Adelaide River |
| | | Batchelor |
| | | Lake Bennett |

| BELYUEN | | |
|--------------|--|------------------------------------|
| HEADQUARTERS | SHARED FINANCE AND ADMINISTRATION CENTRE | COMMUNITY SERVICE DELIVERY CENTRES |
| Belyuen | N/A | Belyuen |

| COX PENINSULA | | |
|---------------|--|------------------------------------|
| HEADQUARTERS | SHARED FINANCE AND ADMINISTRATION CENTRE | COMMUNITY SERVICE DELIVERY CENTRES |
| Wagait Beach | N/A | Wagait Beach |

SECTION B: LOCAL GOVERNMENT ADMINISTRATIVE AND REGULATORY FRAMEWORK

1. Local government legislative context

The *new Local Government Act 2008* and the Local Government Accounting Regulations, Administration Regulations and Electoral Regulations provide for and regulate local government in the Northern Territory. The Act also provides for Ministerial Guidelines that apply in relation to certain aspects of local government including elected member allowances, appointment of Chief Executive Officers, investment, borrowing, rating proposals for conditionally rateable land, interest on unpaid rates and disposal of council property.

The Preamble to the *Local Government Act* states that the rights and interests of Indigenous traditional owners, as enshrined in the *Aboriginal Land Rights Act (NT) 1976* and the *Native Title Act 1993*, must also be recognised and the delivery of local government services are to be in harmony with those laws.

Various Acts of Parliament of the Northern Territory and the Australian Governments also regulate either the delivery of local government services or other essential community services that the shires may deliver on an agency basis. These Acts and associated Regulations also establish compliance requirements which must be observed by local governments.

Northern Territory legislation that may impact on the services being delivered by local governments includes the following:

- *Cemeteries Act*
- *Crown Lands Act (Section 79)*
- *Litter Act, Pounds Act*
- *Control of Roads Act*
- *Disasters Act*
- *Liquor Act*
- *Kava Management Act*
- *Community Welfare Act*
- *Volatile Substance Abuse Prevention Act*
- *Disability Services Act*
- *Weeds Management Act*
- *Environmental Assessment Act*; and the
- *Fire and Emergency Act.*

Australian Government legislation that may impact on the services being delivered by local governments on an agency basis or through a funding agreement include the *Family and Community Services Act*, *Aged Care Act* and the *Environment Protection and Biodiversity Act*.

2. Local government planning framework

The *new Local Government Act 2008*, at Part 3.2, requires that each council has a municipal or shire plan. This plan is integrally linked with the Regional Management Plan. Together, these plans make up the planning and service delivery framework for local government at the local and regional level.

The municipal or shire plan is to contain a strategic plan, service delivery plan, annual budget and a long-term financial plan. These components of the municipal and shire plan are to be informed by community plans endorsed by local boards and by the advice of any other advisory body established by the council to assist its strategic or operational decision making.

The provisions of Part 3.2 of the new Act require that a council review and revise its municipal or shire plan before 31 July each year. This enables each council to formally consider its service delivery to the community in the light of any current or emerging challenges and opportunities and whether it has the most appropriate administrative and regulatory framework to achieve its service delivery operations.

A council is also required by the new Act to develop a set of service delivery performance indicators so that it can assess whether it is achieving the standards of service delivery identified in the municipal or shire plan. The report of this assessment will form a critical part of the council's annual review of the municipal or shire plan.

The structure of a municipal plan will be in accordance with established council practice. The structure of the shire plan will be as adopted by the prospective shire leading up to the commencement of New Local Government on 1 July 2008.

3. Inter-Government Agreement establishing principles to guide Inter-Government relations on local government matters

The Inter Government Agreement Establishing Principles to Guide Inter Government Relations on Local Government Matters (the IGA) was signed in April 2006 by the Australian Government, all State and Territory Governments and the Australian Local Government Association (ALGA). The agreement establishes principles to guide the relationship between the three spheres of government and avoid cost shifting onto local government.

The Northern Territory Government and the Northern Territory Local Government Association (LGANT), through the ALGA, are both parties to this IGA and are committed to the principles of the IGA in their working relationships.

SECTION C: LOCAL GOVERNMENT COOPERATIVE ARRANGEMENTS

A cooperative arrangement includes any formal agreement, alliance, memorandum of understanding, joint venture or partnership that contains agreed ways of local government councils working together or working with other agencies and organisations, both public and private, for particular purposes.

NOTE: Members of Transition Committees, participating municipal councils and LGANT will have an important consultative role with the Department in the development and negotiation of cooperative arrangements. Managers of the 'prospective' shires and participating municipal councils will sign off on agreements successfully negotiated prior to 1 July 2008. These agreements will be identified in the final draft of this RMP.

1. Existing cooperative arrangements entered into by councils in the Northern region under this Plan

Three of the new Shires (West Arnhem, East Arnhem and Tiwi Islands) will share a Finance and Administration Centre in Darwin providing financial management services including accounts payable, accounts receivable, bank reconciliations, financial reporting, payroll services, asset and facilities accounting, information and records management and information technology.

2. Cooperative arrangements under consideration by councils for negotiation prior to 1 July 2008

a) Resource Sharing

Resource sharing arrangements include:

- The formation of a Local Government Regional Management Group by all councils in the region to develop regional approaches to identified priorities and targeted programs.
- The formation of a working group of Directors responsible for corporate services and community services within the region, to provide advice on the implementation of joint procurement opportunities in the areas of banking, insurance, Information and Communications Technology (ICT) and business systems and the joint procurement of other goods and services.
- The development of agreements between the shires and Indigenous service providers, including Resource Centres, for the delivery of services.

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- The development of an agreement between the shires and LGANT, the Northern Territory Electoral Commission (NTEC) and DLGH for the planning and delivery of a community electoral awareness strategy for the October 2008 elections.

b) Development

Development cooperative opportunities include:

- The development of a Memorandum of Understanding between the shires and respective Land Councils to clarify roles and responsibilities and set out protocols for cooperation and engagement.
- The development of a collaborative approach between the shires and the Department of Regional Development, Primary Industry, Fisheries and Resources (DRDPIFR) and the Department of Business and Employment (DBE), the Federal Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) the Indigenous Business Association (IBA), the Office of the Registrar of Aboriginal and Torres Strait Islander Corporations (ORATSIC), Outback Stores, the Arnhem Land Progress Association (ALPA) and industry associations to assist the future development of independent businesses currently under the auspice of Local Government
- The establishment of an agreement by the municipal and shire councils with LGANT and DLGH regarding governance training and development for elected members.

3. Potential cooperative arrangements to be considered post 1 July 2008

a) Resource Sharing

Resource sharing opportunities include:

- Shires with coastal boundaries in the Northern and Central Regions to consider investigating opportunities to achieve more efficient and effective sea and air transport services.
- Municipal and Shire councils to consider participating on a committee to develop consistent by-laws and enforcement policies to administer and regulate local laws, including authorised officers operating outside council boundaries.

b) Development

There is an opportunity for cooperation on development with councils considering developing regional agreements with Australian Government and Northern Territory Government agencies regarding regional service delivery requirements.

There will be opportunities for cooperation between all levels of government in developing regional agreements regarding service delivery requirements.

4. The status of undertakings set out in this Plan

The status of cooperative undertakings will be reviewed by the Agency, DLGH, in consultation with the councils within the region, on an annual basis. This review will enable the preparation of the annual report, as required by the Act, to be provided by the agency to the Minister regarding the performance of councils as measured against this regional management plan.

SECTION D: CORE LOCAL GOVERNMENT SERVICES TO BE DELIVERED BY SHIRE COUNCILS AND THE LOCATIONS WHERE CORE SERVICES MUST BE DELIVERED

- Note: (i) Municipal Councils are not required to identify core local government services in the RMP, however they provide core local government services to all constituents.
- (ii) The Coomalie Shire, Belyuen Shire and Cox Peninsula Shire Councils will deliver all the services listed below to the extent reasonably possible, taking into account the size of their budgets and the communities they are required to serve.
- (iii) Communities other than those identified in this section will also receive core local government services. However, this is a matter for decision by each Shire and will form part of the Shire Plan. Local roads, for example, will be maintained throughout the entire Shire.

1. Core local government services

Local Infrastructure

Maintenance and Upgrade of Parks, Reserves and Open Spaces
Maintenance and Upgrade of Buildings, Facilities and Fixed Assets
Management of Cemeteries
Lighting for Public Safety, including Street Lighting
Local Road Upgrading and Construction
Local Road Maintenance
Traffic Management on Local Roads
Fleet, Plant and Equipment Maintenance

Local Environment Health

Waste Management (including litter reduction)
Weeds Control and Fire Hazard Reduction in and around community areas
Companion Animal Welfare and Control

Local Civic Services

Library and Cultural Heritage Services
Civic Events
Local Emergency Services

Community Engagement in Local Government

Training and Employment of local people in council operations
Administration of Local Laws
Public and Corporate Relations
Customer Relationship Management, including complaints and responses
Governance: including administration of council meetings, elections and elected member support
Administration of Local Boards, Advisory Bodies and Management Committees
Advocacy and Representation on local and regional issues

Local Government Administration

Financial Management
Revenue Growth
Human Resources
Asset Management
Records Management
Risk Management
Council Planning and Reporting: Strategic, Financial and Service Delivery Planning and Reporting
IT and Communications

2. Locations where core local government services must be delivered by Shires in the Northern Region

West Arnhem Shire Council

Maningrida
Jabiru
Gunbalanya
Minjilang
Warruwi

East Arnhem Shire Council

Milingimbi
Ramingining
Galiwinku
Gapuwiyak
Yirrkala
Gunyangara (Marngarr)
Angurugu
Milyakburra
Umbakumba

Tiwi Islands Shire Council

Nguiu
Pirlangimpi

Milikapiti
Wurankuwu

Coomalie Shire Council

Adelaide River
Batchelor
Lake Bennett

Belyuen Shire Council

Belyuen

Cox Peninsula Shire Council

Wagait Beach