



AGENDA

Risk Management & Audit Committee Meeting

Friday, 18 October 2024

I hereby give notice that a Risk Management & Audit Committee Meeting will be held on:

Date: Friday, 18 October 2024

Time: 9:00 AM

**Location: Council Chambers Darrandirra
Level 1, Civic Centre
Harry Chan Avenue, Darwin**

**Simone Saunders
Chief Executive Officer**

RISK MANAGEMENT & AUDIT COMMITTEE MEMBERS

Chair Roland Chin

Councillor Jimmy Bouhoris

Councillor Mick Palmer

Councillor Ed Smelt

Member George Araj

Member Sanja Hill

Member Joe McCabe

OFFICERS

Chief Executive Officer, Simone Saunders

General Manager Innovation, Alice Percy

A/Executive Manager Corporate Services, Brooke Prince

Executive Manager Finance, Irene Frazis

Executive Manager HR and Safety, Alexandra Vereker

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1 MEETING DECLARED OPEN**2 APOLOGIES AND LEAVE OF ABSENCE****2.1 Apologies**

THAT the apology from Councillor Mick Palmer be received.

2.2 Leave of Absence Granted**2.3 Leave of Absence Requested****3 ELECTRONIC MEETING ATTENDANCE****3.1 Electronic Meeting Attendance Granted**

THAT The Committee note that pursuant to Section 98 (3) of the Local Government Act the following members were granted permission for Electronic Meeting Attendance at this Risk Management and Audit Committee Meeting held on Friday, 18th October 2024:

- Member Joe McCabe
- Member George Araj

3.2 Electronic Meeting Attendance Requested**4 DECLARATION OF INTEREST OF MEMBERS AND STAFF**

Member Roland Chin made the following Declarations (updated 20/10/23):

- A. Treasurer of St John Ambulance Australia (NT) Inc.; Director of SJA (NT) Endowment Company Pty Ltd as trustee for The St John Ambulance (NT) Endowment Trust; Director of St John Ambulance Australia NT Holdings Pty Ltd; St John Ambulance Australia Ltd – Finance, Audit & Risk subcommittee
- B. President of Chung Wah Society Inc
- C. Chair of Audit and Risk Committee of Venture Housing Company Limited
- D. Chair of Audit, Risk and Compliance Committee of Charles Darwin University
- E. Tiwi Land Council Audit Committee.

Councillor Jimmy Bouhoris made the following Declarations (25/06/21):

- A. any items relating to PowerWater

~~Councillor Brian O’Gallagher made the following Declaration (19/04/24):~~

- ~~A. pre-selection for the seat of Karama at the upcoming NT Election~~

Councillor Ed Smelt made the following Declarations (20/10/2023):

- A. any items relating to Department of Infrastructure, Planning and Logistics, NTG

Member Sanja Hill advised of the following representations (updated 19/04/24):

- A. any items relating to Department of the Attorney-General and Justice NTG

Member Joe McCabe made the following Declarations (28/06/24):

- A. any items relating to Townville City Council

5 CONFIRMATION OF PREVIOUS MINUTES

Risk Management & Audit Committee Meeting - 28 June 2024

6 ACTION REPORTS

6.1 PROPOSED MEETING DATES AND REPORT SCHEDULE 2025

Author: Executive Assistant

Authoriser: General Manager Corporate

Attachments: 1. Proposed meeting dates and report schedule 2025 [↓](#)

RECOMMENDATIONS

1. THAT the report entitled Proposed Meeting Dates and Report Schedule - 2025 be received and noted.
2. THAT RMAC endorse the RMAC Proposed Meeting Dates and Report Schedule 2025.

PURPOSE

The purpose of this report is for the Risk Management & Audit Committee (RMAC) to consider the proposed meeting dates and report schedule for 2025.

KEY ISSUES

- Proposed meeting dates for 2025 are February, April, June and October 2025.
- It is proposed that the internal audit update, risk review and assessment report, and ICT roadmap update are transitioned to a twice-yearly reporting schedule.
- Additional reports requiring the input of the Committee are likely to be scheduled throughout the year.

DISCUSSION

The Risk Management and Audit Committee (RMAC) Terms of Reference were endorsed by Council 11 July 2023 and require that:

“Subject to direction by Council, the Committee will set its meeting schedule for the calendar year at the last meeting of the year prior.

The Committee will meet a minimum of four (4) times per year at times and dates set by the committee”.

Further to requirements in the RMAC Terms of Reference, a proposed 2025 meeting date schedule and prospective agenda items table is provided at **Attachment 1**. Proposed meeting dates for 2025 are in February, April, June and October.

It is proposed that the ICT roadmap update, internal audit update, and risk review and assessment report are transitioned to a twice-yearly reporting schedule to redistribute the number of reports presented at each meeting, ensuring the Committee has adequate time to consider each item being presented.

Additional reports are likely to be scheduled throughout the year as and when input from the Committee is required including for the review of relevant policy and procedure.

PREVIOUS COUNCIL RESOLUTION

N/A

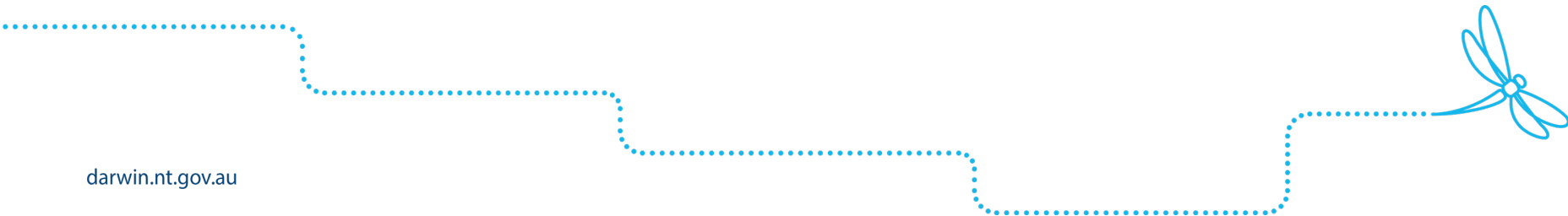
STRATEGIC PLAN ALIGNMENT	6 Governance Framework 6.4 Accountability
BUDGET / FINANCIAL / RESOURCE IMPLICATIONS	N/A
LEGISLATION / POLICY CONTROLS OR IMPACTS	N/A
CONSULTATION, ENGAGEMENT & COMMUNICATION	N/A
DECLARATION OF INTEREST	<p>The report author does not have a conflict of interest in relation to this matter.</p> <p>The report authoriser does not have a conflict of interest in relation to this matter.</p> <p>If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).</p>



Proposed meeting dates and report schedule

Risk Management and Audit Committee

18 October 2024



darwin.nt.gov.au



Item	February 2025	April 2025	June 2025	October 2025
Standing reports				
Corporate Services quarterly report (incl. WH&S report)	✓	✓	✓	✓
Monthly financial reports	✓	✓	✓	✓
Shoal Bay Waste Management Facility update	✓	✓	✓	✓
Twice-yearly reports				
Asset management update		✓		✓
ICT Roadmap update	✓		✓	
Internal audit update		✓		✓
Risk review and assessment	✓		✓	
Once-yearly reports				
Proposed meeting dates and report schedule				✓
Review of audit preparation			✓	
Review of draft Annual Financial Statements				✓
Review of draft Annual Report				✓

6.2 REVIEW OF RISK MANAGEMENT & AUDIT (RMAC) - TERMS OF REFERENCE

Author: Executive Assistant

Authoriser: General Manager Corporate

Attachments: 1. 1235.001.E.R_RMAC Terms of Reference_tracked changes [↓](#)
2. 1235.001.E.R_RMAC Terms of Reference_clean copy [↓](#)

RECOMMENDATIONS

1. THAT the report entitled Review of Risk Management & Audit (RMAC) - Terms of Reference be received and noted.
2. THAT Council adopt the revised Terms of Reference provided at **Attachment 2**

PURPOSE

The purpose of this report is to adopt the updated Terms of Reference for the Risk Management & Audit Committee (RMAC).

KEY ISSUES

- City of Darwin responsible officers have conducted a review of the Functions and Membership sections of the Terms of Reference and the Governance team have conducted a review to ensure consistency and compliance with the *Local Government Act 2019* (NT) with the suggested changes presented for approval.

DISCUSSION

A review of the functions and membership sections of the Terms of Reference for the Risk Management & Audit Committee (RMAC) was undertaken by the responsible officers and the Governance team to ensure consistency and compliance with the *Local Government Act 2019* (NT). Refer updated document and mark up attached.

PREVIOUS COUNCIL RESOLUTION

At the 11 July 2023 meeting Council resolved:

14.3 REVIEW OF RISK MANAGEMENT AND AUDIT COMMITTEE TERMS OF REFERENCE

RESOLUTION ORD381/23

Moved: Councillor Brian O'Gallagher

Seconded: Councillor Peter Pangquee

1. THAT the report entitled Review of Risk Management and Audit Committee (RMAC) Terms of Reference be received and noted.
2. THAT Council adopts the reviewed RMAC Terms of Reference at **Attachment 2**.

CARRIED 10/0

STRATEGIC PLAN

6 Governance Framework

ALIGNMENT	6.2 Roles and Relationships
BUDGET / FINANCIAL / RESOURCE IMPLICATIONS	Nil
LEGISLATION / POLICY CONTROLS OR IMPACTS	Legislation: <i>Local Government Act 2019 (NT)</i> Policy: Nil
CONSULTATION, ENGAGEMENT & COMMUNICATION	Engagement Level: Tactics: A report was presented by responsible officers to action a review in accordance with Terms of Reference. Internal: Executive and Advisory Committee responsible officers. External: Nil
DECLARATION OF INTEREST	The report author does not have a conflict of interest in relation to this matter. The report authoriser does not have a conflict of interest in relation to this matter. If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).



~~Risk management and audit committee terms of reference~~ Risk Management and Audit Committee terms of reference

No. 1235.001.E.R

1 Purpose

The ~~City of Darwin~~ Risk Management and Audit Committee (~~the~~ Committee) is established in accordance with section 86 of the *Local Government Act 2019* (NT). The purpose of the Committee is to provide independent assurance and assistance to the Council and the Chief Executive Officer (~~CEO~~), ~~in matters relating to the monitoring of the risk management framework, financial reporting processes, compliance, performance of auditors and the audit program.~~

2 Scope

~~The Committee operates to~~ ~~in relation to the monitoring of~~ the risk management framework, financial reporting processes, compliance, performance of auditors and the audit program.

~~The~~ Committee will:

- consider officers reports and provide recommendations to the Council as required, ~~and~~
- provide a forum to enable matters to be reviewed and discussed.

3 Authority / delegation

The ~~Risk Management and Audit~~ Committee is an Audit Committee and is subject to ~~the~~ control and direction by the Council.

The ~~Risk Management and Audit~~ Committee does not have any delegation to make decisions. The Committee is able to put recommendations to Council for endorsement, and then may be responsible for completing the action determined by Council resolution.

The Committee is authorised to:

- obtain any information it requires from any member of staff and/or external party

~~Risk management and audit committee terms of reference~~
Risk Management and Audit Committee terms of reference - 1235.001.E.R

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Responsible Officer: Chief Executive Officer

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- discuss any matters with internal and/or external auditors, or other external parties
- request, via the ~~CEO Chief Executive Officer~~, the attendance of any member of staff at Committee meetings, ~~and~~
- request external legal or other professional advice, as considered necessary to meet its responsibilities.

4 Functions

~~In accordance with Section 87 of the Local Government Act 2010 (NT) the Risk Management and Audit Committee are to:~~
~~The functions of the Committee are to:~~ has the following functions:

- ~~1. To~~ monitor and review the integrity of the council's financial management
- ~~2. To~~ monitor and review internal controls
- ~~3. To~~ make recommendations to council about any matters the committee considers require the council's consideration, ~~as a result of the committee's functions outlined in (1) and (2).~~

Further, the ~~City of Darwin Risk Management and Audit~~ Committee will undertake the following key responsibilities and functions:

- monitor the performance of City of Darwin's risk management framework, including strategic, operational and project risk assessments
- oversee the internal and external audit functions including development of audit programs, the conduct of audits by appropriately qualified personnel, the monitoring of audit recommendations and findings, management responses, and the implementation of actions
- monitor City of Darwin's fraud and corruption prevention, compliance and governance frameworks
- review quality of annual financial statements and other performance reporting documents (such as annual reports) prior to their adoption by the Council
- review management's responses to external audit recommendations and monitor implementation of the agreed recommendations, ~~and~~
- meet with the external and internal auditors at least once each year to receive direct feedback about any key risk and compliance issues, and to provide feedback about the auditor's performance.

5 Membership

5.1 ~~Chair~~Members

~~Membership of the Committee will be appointed by Council.~~
~~Preference will be given to local representation; however, Council may appoint members from outside the Darwin local government area to ensure appropriate expertise.~~
~~The Committee will, where possible, appoint a First Nations representative – either an appropriate community member or Elected Member.~~

~~Membership will consist of:~~

- ~~• three (3) Elected Council Members~~
 - ~~• four community members~~
- ~~Risk management and audit committee terms of reference~~
~~Committee terms of reference~~ - 1235.001.E.R

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5.2 Chair

The Chair of the ~~Risk Management and Audit~~ Committee will be ~~an Independent Chair~~ appointed by Council for a term of no greater than two years..

In accordance with section 86(4) of the *Local Government Act 2019* (NT), the Chair must not be a member of the Council or a member of the Council's staff.

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The Chair will be appointed from the community membership of the Committee in accordance with section 86(4) of the *Local Government Act 2019* (NT) for a term of no greater than two years.

~~In addition to the duties and responsibilities as a committee member, the Chair shall:~~

The Committee Chair is responsible for:

- ensuring the good conduct of meetings in accordance with the role and functions of the Committee
- ensuring that the Committee's recommendations and actions are in line with the Terms of Reference
- ~~provide leadership and direction to the Risk Management and Audit Committee including overseeing meeting procedure at the meeting~~
- ensuring effective communication between the Committee, Chief Executive Officer ~~management,~~ External and Internal Audit, ~~Internal Audit, and~~
- ensuring the independence and objectivity of the committee functions are maintained.

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The Committee chair may be called upon to represent the Committee to Council

The Committee shall may appoint a Deputy Chair for the purposes of chairing a meeting if the Chair is not present. or at a meeting as required.

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5.3 Terms and vacancies

Membership term for community members will be for two years.

Membership term of an Elected Member will be for two years, by nomination at an Ordinary Council Meeting.

Membership will expire if a member does not attend three consecutive meetings without an approved leave of absence.

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5.2 Members

Risk management and audit committee terms of reference Risk Management and Audit Committee terms of reference - 1235.001.E.R

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Responsible Officer: Chief Executive Officer

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~~Membership of the Committee will be appointed by Council resolution pursuant to section 86(2) of the Local Government Act 2019 (NT).~~

~~The Committee will comprise seven (7) members:~~

- ~~• three (3) Council Members~~
- ~~• four (4) Community Members~~
- ~~• at least one (1) of whom should be either a Certified Practising Accountant or a Chartered Accountant~~
- ~~• at least one (1) be qualified or have significant business experience in the field of risk management~~
- ~~• The Committee shall appoint a Deputy Chair for the purposes of chairing a meeting if the Chair is not present or at a meeting as required.~~
- ~~• Preference will be given to local representation; however, the Council may appoint members from outside the Darwin local government area to ensure appropriate expertise.~~
- ~~• The Chief Executive Officer or delegate will attend all meetings.~~

~~The Lord Mayor may attend as ex-officio.~~

6 Meetings

The ~~Risk Management and Audit~~ Committee will adhere to the requirements for meetings as outlined in the ~~Local Government Act 2019 (NT), Local Government (General) Regulations 2021 (NT) and relevant City of Darwin policies, 0043.100.E.R – City of Darwin Meetings Policy.~~

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6.1 Frequency ~~of meeting~~ and location

Subject to direction by Council, the Committee will set its meeting schedule ~~for the calendar year at the last meeting of the year~~ prior.

The Committee will meet at ~~least minimum of four (4) times per year and no more than eight times annually, between February and November, at times and dates set by the committee.~~

~~Time and location of meetings is to be determined by the Committee.~~

Special meetings can be convened by the ~~Chief Executive Officer~~ on the request of the Chair, or a majority of Committee members. The ~~CEO~~~~Chief Executive Officer~~ will then issue a Notice of Meeting with the time, date and location of the meeting, and the items to be discussed at the special meeting.

6.2 Voting

~~For voting purposes, the Chairperson will accept motions moved and seconded by members of the Committee, by show of hands.~~

~~A Committee decision is by majority vote of voting members present at the meeting.~~

~~A majority vote is half plus one of the members present.~~

~~Risk management and audit committee terms of reference~~~~Risk Management and Audit Committee terms of reference~~ - 1235.001.E.R

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Each member present has, and must exercise, one vote on a question arising for decision at the meeting.

The Chair must exercise, in the event of an equal number of votes, a second or casting vote.

A quorum will be half of the Committee's membership plus one (1), which is currently four (4.)

A resolution of the Committee will be passed by a majority vote. A majority vote is half plus one (1) of the members present at the meeting.

The Chair must exercise, in the event of an equal number of votes, a second or casting vote.

6.3 Secretariat

City of Darwin will provide secretarial services to the Committee. This includes assisting the CEO to ensure:

- the business papers are distributed no later than three business days prior to a meeting and are available-posted on the website, ~~and~~
- proper minutes are kept and ensure that they are tabled at the next meeting of Council
- a copy of the minutes is, within ten business days after the date of the meeting to which the minutes relate, available on the website.-

6.4 Meetings

Meetings are open to the public unless confidential business is being considered.

Observers with specialist skills and experience may also attend by invitation of the Committee and/or Council.

7 Quorum

Quorum consists of a majority, being half plus one of its members holding office at the time of the meeting.

7.8 Code of conduct

All members are accountable to the ~~Local Government Act 2019~~ (NT), Code of Conduct, Schedule 1. This includes the requirement to declare gifts and/or benefit.

All Committee members are required to abide with Schedule 1 Code of Conduct of the ~~Local Government Act 2019~~ (NT).

This includes the requirement to declare gifts and/or benefits.

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Committee terms of reference - 1235.001.E.R

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89 Conflict of interest

~~On appointment to a committee, all members must identify if there are any conflicts of interest in performing their role on the committee.~~

~~Conflicts of Interest must also be identified at any meeting in which a member has a conflict of interest on a matter.~~

Committee members must declare any real or perceived conflicts of interest when joining the Committee.

Conflicts of Interest must also be identified at the start of each meeting in which a member has a conflict of interest on a matter.

910 Review and performance evaluation

9.1 Terms of reference

The Terms of Reference will be reviewed every two-four years by the Committee and any changes will be put to Council for endorsement.~~and formally approved by Council.~~

~~9.2 Performance evaluation~~

~~The Chief Executive Officer will initiate a review of the performance of the Committee at least once every two (2) years. The review will be on an internal assessment basis with appropriate input from the Council, Chief Executive Officer and senior staff, internal and external auditors, and any other relevant stakeholders.~~

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Responsible Officer: Chief Executive Officer

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Risk Management and Audit Committee terms of reference

No. 1235.001.E.R

1 Purpose

The Risk Management and Audit Committee (the Committee) is established in accordance with section 86 of the *Local Government Act 2019* (NT). The purpose of the Committee is to provide independent assurance and assistance to the Council and the Chief Executive Officer (CEO).

2 Scope

The Committee operates to monitor the risk management framework, financial reporting processes, compliance, performance of auditors and the audit program.

The Committee will:

- consider officers reports and provide recommendations to the Council as required
- provide a forum to enable matters to be reviewed and discussed.

3 Authority / delegation

The Committee is an Audit Committee and is subject to control and direction by the Council.

The Committee does not have any delegation to make decisions. The Committee is able to put recommendations to Council for endorsement, and then may be responsible for completing the action determined by Council resolution.

The Committee is authorised to:

- obtain any information it requires from any member of staff and/or external party
- discuss any matters with internal and/or external auditors, or other external parties
- request, via the CEO, the attendance of any member of staff at Committee meetings
- request external legal or other professional advice, as considered necessary to meet its responsibilities.

4 Functions

The functions of the Committee are to:

- monitor and review the integrity of the council's financial management
- monitor and review internal controls

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Responsible Officer: Chief Executive Officer			



- make recommendations to council about any matters the committee considers require the council’s consideration.

Further, the Committee will undertake the following key responsibilities and functions:

- monitor the performance of City of Darwin’s risk management framework, including strategic, operational and project risk assessments
- oversee the internal and external audit functions including development of audit programs, the conduct of audits by appropriately qualified personnel, the monitoring of audit recommendations and findings, management responses, and the implementation of actions
- monitor City of Darwin’s fraud and corruption prevention, compliance and governance frameworks
- review quality of annual financial statements and other performance reporting documents (such as annual reports) prior to their adoption by the Council
- review management’s responses to external audit recommendations and monitor implementation of the agreed recommendations
- meet with the external and internal auditors at least once each year to receive direct feedback about any key risk and compliance issues, and to provide feedback about the auditor’s performance.

5 Membership

5.1 Members

Membership of the Committee will be appointed by Council.

Preference will be given to local representation; however, Council may appoint members from outside the Darwin local government area to ensure appropriate expertise.

The Committee will, where possible, appoint a First Nations representative – either an appropriate community member or Elected Member.

Membership will consist of:

- three Elected Members
- four community members
 - at least one of whom should be either a Certified Practising Accountant or a Chartered Accountant
 - at least one be qualified or have significant business experience in the field of risk management
- City of Darwin CEO or delegate
- The Lord Mayor, who may attend as ex-officio.

5.2 Chair

The Chair of the Committee will be appointed by Council for a term of no greater than two years.

In accordance with section 86(4) of the *Local Government Act 2019* (NT), the Chair must not be a member of the Council or a member of the Council’s staff.

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The Committee Chair is responsible for:

- ensuring the good conduct of meetings in accordance with the role and functions of the Committee
- ensuring that the Committee’s recommendations and actions are in line with the Terms of Reference
- ensuring effective communication between the Committee, Chief Executive Officer and External and Internal Audit
- ensuring the independence and objectivity of the committee functions are maintained.

The Committee chair may be called upon to represent the Committee to Council.

The Committee may appoint a Deputy Chair for the purposes of chairing a meeting if the Chair is not present.

5.3 Terms and vacancies

Membership term for community members will be for two years.

Membership term of an Elected Member will be for two years, by nomination at an Ordinary Council Meeting.

Membership will expire if a member does not attend three consecutive meetings without an approved leave of absence.

6 Meetings

The Committee will adhere to the requirements for meetings as outlined in the *Local Government Act 2019* (NT), *Local Government (General) Regulations 2021* (NT) and relevant City of Darwin policies.

6.1 Frequency and location

Subject to direction by Council, the Committee will set its meeting schedule the calendar year prior.

The Committee will meet at least four times per year and no more than eight times annually, between February and November.

Time and location of meetings is to be determined by the Committee.

Special meetings can be convened by the CEO on the request of the Chair, or a majority of Committee members. The CEO will then issue a Notice of Meeting with the time, date and location of the meeting, and the items to be discussed at the special meeting.



6.2 Voting

For voting purposes, the Chairperson will accept motions moved and seconded by members of the Committee, by show of hands.

A Committee decision is by majority vote of voting members present at the meeting.

A majority vote is half plus one of the members present.

Each member present has, and must exercise, one vote on a question arising for decision at the meeting.

The Chair must exercise, in the event of an equal number of votes, a second or casting vote.

6.3 Secretariat

City of Darwin will provide secretarial services to the Committee. This includes assisting the CEO to ensure:

- the business papers are distributed no later than three business days prior to a meeting and are available on the website
- proper minutes are kept and ensure that they are tabled at the next meeting of Council
- a copy of the minutes is, within ten business days after the date of the meeting to which the minutes relate, available on the website.

6.4 Meetings

Meetings are open to the public unless confidential business is being considered.

Observers with specialist skills and experience may also attend by invitation of the Committee and/or Council.

7 Quorum

Quorum consists of a majority, being half plus one of its members holding office at the time of the meeting.

8 Code of conduct

All Committee members are required to abide with Schedule 1 Code of Conduct of the *Local Government Act 2019* (NT).

This includes the requirement to declare gifts and/or benefits.

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9 **Conflict of interest**

Committee members must declare any real or perceived conflicts of interest when joining the Committee. Conflicts of Interest must also be identified at the start of each meeting in which a member has a conflict of interest on a matter.

10 **Review**

The Terms of Reference will be reviewed every four years by the Committee and any changes will be put to Council for endorsement.

11 **Responsibility / application**

All members of the Committee will be asked to sign the Terms of Reference as part of their induction to the Committee, to ensure they are aware of their responsibilities under the *Local Government Act 2019* (NT) as member of a Council appointed committee.

Name: _____

Signature: _____

6.3 REVIEW OF FRAUD PREVENTION POLICY AND PROCEDURE

Author: Acting Executive Manager Corporate and Customer Services
Corporate Compliance Officer

Authoriser: General Manager Corporate

Attachments:

1. **Fraud Prevention Policy clean version** [↓](#)
2. **Fraud Prevention Policy tracked changes** [↓](#)
3. **Fraud Prevention Procedure clean version** [↓](#)
4. **Fraud Prevention Procedure tracked changes** [↓](#)

RECOMMENDATIONS

1. THAT the report entitled Review of Fraud Prevention Policy and Procedure be received and noted.
2. THAT the Risk Management and Audit Committee recommends that Council adopts the revised Fraud Prevention Policy at **Attachment 1**.
3. THAT the Risk Management and Audit Committee endorse the revised Fraud Prevention Procedure at **Attachment 3**.

PURPOSE

The purpose of this report is to seek the Committee's endorsement of the revised Fraud Prevention Policy and Procedure.

KEY ISSUES

- City of Darwin must maintain a Fraud and Corruption Control Policy Protection Plan. This includes a Fraud Protection Policy and Procedure.
- These documents have been reviewed and wording changes, along with some updates have been made since the last meeting of the Committee.
- References to whistleblower procedures and requirements have also been removed as these are now covered in the *Independent Commissioner Against Corruption Act 2017* (NT) and associated guidelines.

DISCUSSION

Under Regulation 6 of the *Local Government (General) Regulations NT 2021*, City of Darwin must maintain a fraud and corruption control policy protection plan. This includes a fraud protection policy and procedure.

At the June 2024 meeting of the Committee the revised Fraud Protection Policy and Fraud Protection Procedure were presented, which outlined changes to definitions and included the removal of content such as whistleblower procedures which has been captured in other documents including 0096.100.E.R Independent Commissioner Against Corruption Procedure (ICAC Procedure).

The Committee advised that City of Darwin should provide additional guidance in the procedure document on risk assessment and the process for notification, with the feedback taken on board and included in the documents attached.

The policy presents a high-level statement of Council's commitment to '*developing and maintaining an organisational culture supported by appropriate controls, procedures and strategies which prevent fraud*', and is benchmarked against *AS 8001:2021 Fraud corruption and control* to ensure that City of Darwin meets the minimum requirements to develop, implement and maintain an effective fraud corruption and control system. A clean version of the revised policy is provided as **Attachment 1**.

The procedure, provided as **Attachment 3**, sets out the definition of fraud, the roles and responsibilities of Elected Members and workplace participants in relation to fraud, the strategies for preventing fraud and the process to be followed when identifying, investigating and reporting fraud, including references to the ICAC Procedure where relevant.

The Fraud Protection Policy and Fraud Protection Procedure have been developed to be complementary to the ICAC Procedure.

PREVIOUS COUNCIL RESOLUTION

At the 25th August 2020 meeting Council resolved [ORD278/20]:

1. THAT the report entitled ICAC Procedure and Fraud Prevention Policy is received and noted.
2. THAT Council approve the ICAC Procedure contained in **Attachment 1**.
3. THAT Council approve the revised Council Policy No. 029 *Fraud Prevention Policy* contained in **Attachment 2**.

STRATEGIC PLAN ALIGNMENT	6 Governance Framework 6.4 Accountability
BUDGET / FINANCIAL / RESOURCE IMPLICATIONS	N/A
LEGISLATION / POLICY CONTROLS OR IMPACTS	Legislation: <i>Local Government Act 2019 (NT)</i> <i>Local Government (General) Regulations 2021</i>
CONSULTATION, ENGAGEMENT & COMMUNICATION	Engagement Level: Consult

DECLARATION OF INTEREST	<p>The report author does not have a conflict of interest in relation to this matter.</p> <p>The report authoriser does not have a conflict of interest in relation to this matter.</p> <p>If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).</p>
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Fraud prevention policy

Policy No. 1056.100.E.R

1 Purpose

The purpose of this policy is to outline City of Darwin’s approach to preventing fraud within and against City of Darwin, and promote a culture of compliance and awareness to minimise the risk of fraud.

2 Scope

This policy applies to all activities undertaken by City of Darwin.

3 Policy statement

3.1 Principles

City of Darwin will not tolerate fraud from Elected Members, workplace participants or others using fraudulent practices against City of Darwin, regardless of who would benefit.

This Policy and the Fraud Prevention Procedure form part of City of Darwin’s Fraud and Corruption Control Policy Protection Plan as required under *Local Government (General) Regulations 2021*.

City of Darwin’s policy on fraud prevention is based on the following principles:

- Elected Members and workplace participants are in trusted positions and are required to act with integrity, to protect public money and property, and build public confidence in City of Darwin
- City of Darwin prevents and detects fraud through effective operational controls and procedures
- City of Darwin manages all cases of alleged fraud in accordance with relevant policies and procedures
- Elected Members and workplace participants must report suspected fraud or improper conduct in accordance with the *Independent Commissioner Against Corruption Act 2017* (NT) (ICAC Act).

3.2 Risk

Through a strategic risk assessment, City of Darwin has identified fraud as a risk to achieving its strategic objectives.

City of Darwin will continue to work to reduce the risk of fraud through:

- an organisational culture that incorporates fraud prevention measures into all activities
- providing the framework and tools for managers to monitor and respond
- enforcing City of Darwin’s Codes of Conduct for Elected Members and workplace participants

Fraud prevention policy - 1056.100.E.RPage 1 of 3

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Responsible Officer: Chief Financial Officer

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- compliance with relevant legislation and conformity with Australian Standard 8001:2021 Fraud and Corruption Control (the Standard).

3.3 Framework

City of Darwin's commitment to preventing fraud is supported by the development and implementation of controls, procedures and strategies.

City of Darwin informs Elected Members and workplace participants about the ethical standards and conduct expected of them through a suite of policies, procedures and training.

3.4 Conflicts of interest

City of Darwin Elected Members and workplace participants must disclose any actual or perceived conflicts of interest that may arise in the performance of their duties. All perceived and actual conflicts must be declared to the Chief Executive Officer. Elected Members are required to manage their conflicts of interest consistent with their legal obligations.

3.5 Reporting

All Elected Members and workplace participants must report suspected improper conduct, which includes fraud and corruption, in accordance with the ICAC Act. Elected Members and workplace participants are encouraged to be constantly vigilant and report any matter that they regard as suspicious.

3.6 Breach

City of Darwin will manage reports of suspected fraud in accordance with the Fraud Prevention Procedure, Independent Commissioner Against Corruption Procedure and ICAC Act.

A breach of this policy may constitute a breach of Code of Conduct and/or criminal offence. Any workplace participant engaging in fraud may be subject to disciplinary action, legal action to recover losses and/or criminal proceedings.

3.7 Vexatious complaints

Vexatious complaints may constitute improper conduct under the ICAC Act, be an offence under the *Local Government Act 2019* (NT) and will be subject to disciplinary action.

Fraud prevention policy - 1056.100.E.R

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Responsible Officer: Chief Financial Officer

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4 Definitions

Fraud means, in accordance with the Standard, ‘dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit’.

Vexatious complaint means false or misleading allegations of suspected fraud with the intent to disrupt or cause harm to another or to gain an advantage for the person making the allegations.

5 Legislative references

Independent Commissioner Against Corruption Act 2017 (NT)
Local Government Act 2019 (NT)
Local Government (General) Regulations 2021 (NT)

6 Procedures/related documents

0096.100.E.R Independent Commissioner Against Corruption Procedure
1056.010.I.R Fraud Prevention Procedure
2310.100.E.R Risk Management Policy
2310.010.I.R Risk Management Procedure
4000.010.I.R City of Darwin Staff Code of Conduct
AS 8001:2021 Fraud and corruption control
Elected Members Code of Conduct

7 Responsibility/application

The Chief Executive Officer is responsible for the implementation of this policy.
The General Manager Corporate is accountable for the overall management of this policy.
All Elected Members and workplace participants are responsible for adhering to this policy.
This Policy will be reviewed every two years or as required.



Fraud prevention policy

Policy No. 1056.100.E.R

1 Purpose

The purpose of this policy is to outline City of Darwin’s approach to preventing fraud within and against City of Darwin, and promote a culture of compliance and awareness to minimise the risk of fraud.

2 Scope

This policy applies to all activities undertaken by City of Darwin.

3 Policy statement

3.1 Principles

City of Darwin will not tolerate fraud from Elected Members, workplace participants or others using fraudulent practices against City of Darwin, regardless of who would benefit.

This Policy and the Fraud Prevention Procedure form part of City of Darwin’s Fraud and Corruption Control Policy Protection Plan as required under *Local Government (General) Regulations 2021*.

City of Darwin’s policy on fraud prevention is based on the following principles:

- Elected Members and workplace participants are in trusted positions and are required to act with integrity, to protect public money and property, and build public confidence in City of Darwin.
- City of Darwin prevents and detects fraud through effective operational controls and procedures.
- City of Darwin manages all cases of alleged fraud in accordance with relevant policies and procedures.
- Elected Members and workplace participants must report suspected fraud or improper conduct in accordance with the *Independent Commissioner Against Corruption Act 2017* (NT) (ICAC Act).

3.2 Risk

Through the Strategic Risk Assessment, City of Darwin has identified fraud as a risk to achieving its Strategic Objectives.

City of Darwin will continue to work to reduce the risk of fraud through:

- an organisational culture that incorporates fraud prevention measures into all activities
- providing the framework and tools for managers to monitor and respond
- enforcing City of Darwin’s Codes of Conduct for Elected Members and workplace participants

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- compliance with relevant legislation and conformity with Australian Standard 8001:2021 Fraud and Corruption Control (the Standard).

3.3 Framework

City of Darwin's commitment to preventing fraud is supported by the development and implementation of controls, procedures and strategies.

City of Darwin informs Elected Members and workplace participants about the ethical standards and conduct expected of them, through a suite of policies, procedures and training.

3.4 Conflicts of interest

City of Darwin Elected Members and workplace participants must disclose any actual or perceived conflicts of interest that may arise in the performance of their duties. All perceived and actual conflicts must be declared to the Chief Executive Officer. Elected Members are required to manage their conflicts of interest consistent with their legal obligations.

3.5 Reporting

All Elected Members and workplace participants must report suspected improper conduct, which includes fraud and corruption, in accordance with the ICAC Act. Elected Members and workplace participants are encouraged to be constantly vigilant and report any matter that they regard as suspicious.

3.6 Breach

City of Darwin will manage reports of suspected fraud in accordance with the Fraud Prevention Procedure, [Independent Commissioner Against Corruption Procedure](#) and ICAC Act.

A breach of this policy may constitute a breach of Code of Conduct and/or criminal offence. Any workplace participant engaging in fraud may be subject to disciplinary action, legal action to recover losses and/or criminal proceedings.

3.7 Vexatious complaints

Vexatious complaints may constitute improper conduct under the ICAC Act, be an offence under the *Local Government Act 2019* (NT) and will be subject to disciplinary action.

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4 Definitions

Fraud means, in accordance with the Standard, ‘dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit’.

Vexatious complaint means false or misleading allegations of suspected fraud with the intent to disrupt or cause harm to another or to gain an advantage for the person making the allegations.

5 Legislative references

Independent Commissioner Against Corruption Act 2017 (NT)
Local Government Act 2019 (NT)
Local Government (General) Regulations 2021 (NT)

6 Procedures/related documents

- [0096.100.E.R Independent Commissioner Against Corruption Procedure](#)
- [1056.010.I.R Fraud Prevention Procedure](#)
- [2310.100.E.R Risk Management Policy](#)
- [2310.010.I.R Risk Management Procedure](#)
- 4000.010.I.R City of Darwin Staff Code of Conduct
- AS 8001:2021 Fraud and corruption control
- [City of Darwin Strategic Risk Assessment](#)
- Elected Members Code of Conduct

7 Responsibility/application

The Chief Executive Officer is responsible for the implementation of this policy.

The General Manager Corporate is accountable for the overall management of this policy.

All Elected Members and workplace participants are responsible for adhering to this policy.

This Policy will be reviewed every two years or as required.



Fraud prevention procedure

Procedure No.1056.010.I.R

1 Purpose

This purpose of this procedure is to outline the definitions of fraud, the roles and responsibilities of Elected Members and workplace participants in relation to fraud, the strategies for preventing fraud and the process to be followed when identifying, investigating and reporting fraud.

2 Scope

This procedure is part of the Fraud and Corruption Control Policy Protection Plan and it applies to preventing, detecting and responding to fraud.

3 Procedure statement

Fraud has been identified as a risk to City of Darwin achieving its strategic objectives. City of Darwin has adopted the Fraud Prevention Policy which provides the statement of principles City of Darwin aims to achieve.

This procedure guides the operation of the policy and forms part of City of Darwin’s Fraud and Corruption Control Policy Protection Plan in line with the *Local Government (General) Regulations 2021* (NT).

This procedure should be read together with the Independent Commissioner Against Corruption (ICAC) Procedure which details the obligations of Elected Members and workplace participants in accordance with the Independent Commissioner Against Corruption Act (ICAC Act).

The public and other stakeholders have an expectation that City of Darwin will take steps to reduce the risk of fraud. Elected Members and workplace participants are responsible for fraud prevention and control.

3.1 Fraud and Corruption Control Protection Plan

This plan is a collection of policies and procedures supported by internal controls, that work together to create an environment where ethical conduct is mandatory, with no tolerance for fraud.

Responsibility structures

Roles and responsibilities for fraud prevention and control are outlined in this procedure.

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Fraud prevention procedure – 1056.010.I.R

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Fraud risk assessment

City of Darwin will assess fraud risk through:

- regular reviews of the strategic, operational, WHS and project risk registers
- risk assessment
- controls review and assessment
- testing through independent internal and external audit.

The fraud risk assessment is supported by the City of Darwin Risk Management Framework, including the Risk Management Policy and Risk Management Procedure and is prepared in line with ISO 31000:2018 Risk management.

Any risks giving rise to fraud are added to the relevant risk register for regular review.

Employee awareness

Elected Members and workplace participants will be made aware of fraud prevention and control through induction procedures and awareness sessions.

Consumer and community awareness

City of Darwin promotes awareness in the community that it does not tolerate fraud in any form.

Fraud reporting systems

This procedure and City of Darwin's ICAC Procedure provide avenues for reporting fraud internally and externally.

Protected communications

Any person that reports suspected fraud may be provided with protection measures under the ICAC Act. Internal reports will be treated in confidence so far as reasonable with reference to any investigation or outcomes.

External notification

Required external notifications, such as ICAC or the Police, will be assessed on a case-by-case basis by a nominated recipient. All Elected Members and workplace participants have a legal obligation to report

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suspected fraud in line with the ICAC Act. Any suspected fraud committed by officers from other organisations will be dealt with under the ICAC Procedure.

Related policies and procedures

City of Darwin’s key documents that form the Fraud and Corruption Control Policy Protection Plan are:

- 1056.100.E.R Fraud Prevention Policy
- 1056.010.I.R Fraud Prevention Procedure
- Code of Conduct
- ICAC Procedure
- internal controls
- various registers and disclosures.

City of Darwin undertakes annual independent internal and external audits and participates in compliance reviews undertaken by the Department of Chief Minister and Cabinet.

City of Darwin recognises that fraud prevention and control helps create an open and honest culture and support a sound governance framework.

3.2 Implementation of Fraud and Corruption Control Policy Protection Plan

In implementing the Fraud and Corruption Control Policy Protection Plan, City of Darwin will:

- comply with relevant legislation
- engage and support the Risk Management and Audit Committee
- promote fraud and corruption prevention
- model ethical behaviour, consistent with Codes of Conduct
- provide fraud awareness training to help all workplace participants understand their responsibilities
- use delegations, approval processes and internal controls to reduce the opportunity for fraud
- use monitoring systems to prevent and detect fraud
- conduct regular fraud risk assessments
- develop and implement procedures for reporting suspected fraud
- train key employees on how to deal with suspected fraud, preserve evidence and apply natural justice processes.
- implement and monitor policies for:
 - the receipt of gifts and benefits
 - managing conflict of interest
 - use of motor vehicles
 - official travel.

3.3 Workplace participant requirements

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Leader / team	Responsibilities
Elected members	<ul style="list-style-type: none"> Approve policy, provide oversight and receive advice on managing risk through the Risk Management and Audit Committee.
Leadership group	<ul style="list-style-type: none"> Implement the Fraud and Corruption Control Policy Protection Plan. Lead by example and model ethical behaviour. Establish controls and procedures for the prevention and detection of fraud Identify fraud risks and ensure regular risk assessments are undertaken. Ensuring workplace participants are aware of their responsibilities under the Code of Conduct Ensuring workplace participants are aware of City of Darwin's policy on fraud and encouraging the prompt reporting of any instances of suspected fraud.
Senior leadership team	<ul style="list-style-type: none"> Displaying leadership in compliance with legislation and City of Darwin's policies, procedures and systems of internal control. Ensuring that they are aware of indicators of fraudulent and corrupt conduct and responding appropriately to such indicators. Establishing adequate internal controls to provide for the security and accountability of City of Darwin's resources to prevent or reduce the opportunity for fraud.
Employees	<ul style="list-style-type: none"> Maintaining awareness of fraud prevention and control and adhering to policies and procedures.

3.4 Fraud risks

The following organisational weaknesses increase the risk of fraud:

- lack of documented procedures and controls
- individuals or areas being responsible for multiple duties within an accountable process
- lack of clarity around roles and responsibilities

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- not setting and enforcing delegations and permissions
- poor physical and information technology security
- not checking and reporting on transactions (exception reporting)
- high work volume
- staffing issues
- poor leadership and culture
- unrealistic expectations
- poor staff development
- close relationships with suppliers.

Indicators of potential fraud include:

- addiction issues
- higher than expected standard of living
- evasive behaviour or becoming annoyed when questioned
- not taking leave or taking leave in short blocks
- working or demanding excessive overtime
- taking control of specific duties, or the bulk of duties in a work area

Workplace participants are encouraged to look out for these signs and report anything unusual to their supervisors and/or appropriate authorities.

Some indicators of fraud may be signs of issues such as mental health problems and it is important to remember that these indicators are not proof that the person is engaging in fraud.

3.5 Prevention

It is not possible to completely prevent fraud. City of Darwin’s internal controls help minimise the risk with:

- documented operational procedures and controls
- merit based recruitment and checks to ensure the integrity of candidates
- segregation of conflicting functions such as procurement, revenue collection and accounts payable
- secondary review and approval controls
- accounting controls such as balancing procedures, stocktakes and regular reconciliations
- physical controls preventing unauthorised access to information, data and assets
- supervisory controls which monitor key day to day functions such timesheets and cash handling
- management controls such as monthly budget reporting and review, exception reporting and data analysis
- ICT controls to prevent access and changes to data such as creditors and debtors lists, and receipting/payment routines.

3.6 Detection

Fraud may be discovered through:

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- use of monitoring systems
- internal or external audit
- confession by those involved
- tip-off by an informant or whistleblower
- notification by external agency
- observation and reporting by the public, colleagues or management

It is important that if fraud is suspected or observed that any available evidence is preserved and that the suspected perpetrator is not alerted to the suspicions.

It is also important to report and investigate suspected fraud as quickly as possible to minimise potential loss or damage to the organisation.

3.7 Notification

If fraud is suspected, workplace participants should:

- create a record of the suspicious activity
- where possible, ensure that information received can be verified and the facts can be determined without alerting other workplace participants of your suspicions
- where possible, gather evidence and other information relating to the suspected fraud
- report the suspected fraud to the CEO, a nominated recipient or the ICAC as directed in the ICAC Procedure.

All evidence related to the notification should be recorded and everything should be kept in a central file in a secure and confidential location.

If reporting internally, the nominated recipient will provide advice on any external notifications or protected communications to ICAC in line with the ICAC Procedure and ICAC Act. Reports can be categorised as mandatory or voluntary, with definitions and reporting timeframes provided for in the ICAC Procedure, supported by the ICAC Act.

The person who suspects fraud should not confront the person they suspect or speak about it with anyone other than the nominated recipient, a person authorised by City of Darwin, or a prescribed public officer under the ICAC Act. The person they suspect will only be notified if an investigation follows.

3.8 Investigation

ICAC may undertake an investigation to determine whether any fraud has occurred.

In addition to any ICAC investigation, the CEO may undertake an investigation. ICAC or the CEO may refer the matter to other entities including NT Police. City of Darwin’s insurers and external auditors may also be notified.

3.9 Review of internal controls and risks

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Where fraud is confirmed it will trigger a review of the relevant elements of the Fraud and Corruption Control Policy Protection Plan.

Strategic risk reviews should be conducted by the Chief Executive Officer or their delegate and reviewed by Council on advice from the Risk Management and Audit Committee.

Operational risk reviews should be conducted by the relevant manager and reviewed by the Leadership Group.

After a fraud incident, a report on the incident and outcomes must be prepared for the Risk Management and Audit Committee along with any proposed responses to strengthen internal controls. City of Darwin will consider any recommendations made by the Risk Management and Audit Committee.

3.10 Disciplinary action

Disciplinary action will be taken against any person found to be involved in fraud in accordance with the provisions of City of Darwin’s Code of Conduct and relevant legislation.

3.11 Restitution or recovery of funds

City of Darwin will take action against any person found to be involved in fraud to recover all losses incurred, including the cost of any action, where feasible.

4 Definitions

Fraud means, according to the Australian Standard on Fraud and Corruption, AS8001:2021 ‘dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.’

5 Legislative references

- Independent Commissioner Against Corruption Act 2017 (NT)
- Local Government Act 2019 (NT)
- Local Government (General) Regulations 2021 (NT)

6 Procedures/related documents

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0096.100.E.R Independent Commissioner Against Corruption Procedure

1056.100.E.R Fraud Prevention Policy

2310.100.E.R Risk Management Policy

2310.010.I.R Risk Management Procedure

7 Responsibility/application

The General Manager Corporate Services Is responsible for implementation and review of this procedure.

All employees are responsible for adhering to this procedure.

This procedure will be reviewed every four years, or as required.

8 Document control

Document Number			Responsible Officer:	
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1		26/06/2020	Endorsed by RMAC following approval by SDG and SLT	
2				



Fraud prevention procedure

Procedure No.1056.010.I.R

1 Purpose

This purpose of this procedure is to outline the definitions of fraud, the roles and responsibilities of Elected Members and workplace participants in relation to fraud, the strategies for preventing fraud and the process to be followed when identifying, investigating and reporting fraud.

2 Scope

This procedure is part of the Fraud and Corruption Control Policy Protection Plan and it applies to preventing, detecting and responding to fraud.

3 Procedure statement

Fraud has been identified as a risk to City of Darwin achieving its strategic objectives. City of Darwin has adopted the Fraud Prevention Policy which provides the statement of principles City of Darwin aims to achieve.

This procedure guides the operation of the policy and forms part of City of Darwin’s Fraud and Corruption Control Policy Protection Plan in line with the *Local Government (General) Regulations 2021* (NT).

This procedure should be read together with the Independent Commissioner Against Corruption (ICAC) Procedure which details the obligations of Elected Members and workplace participants in accordance with the Independent Commissioner Against Corruption Act (ICAC Act).

The public and other stakeholders have an expectation that City of Darwin will take steps to reduce the risk of fraud. Elected Members and workplace participants are responsible for fraud prevention and control.

3.1 Fraud and Corruption Control Protection Plan

This plan is a collection of policies and procedures supported by internal controls, that work together to create an environment where ethical conduct is mandatory, with no tolerance for fraud.

Responsibility structures

Roles and responsibilities for fraud prevention and control are outlined in this procedure.

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Fraud risk assessment

City of Darwin will assess fraud risk through:

- regular reviews of the strategic, operational, WHS and project risk registers
- risk assessment
- controls review and assessment
- testing through independent internal and external audit.
-

The fraud risk assessment is supported by the City of Darwin Risk Management Framework, including the Risk Management Policy and Risk Management Procedure and is prepared in line with ISO 31000:2018 Risk management.

Any risks giving rise to fraud are added to the relevant risk register for regular review.

Employee awareness

Elected Members and workplace participants will be made aware of fraud prevention and control through induction procedures and awareness sessions.

Consumer and community awareness

City of Darwin promotes awareness in the community that it does not tolerate fraud in any form.

Fraud reporting systems

This procedure and City of Darwin’s ICAC Procedure provide avenues for reporting fraud internally and externally.

Protected ~~disclosures~~communications

Any person that reports suspected fraud ~~is~~may be provided with protection measures under the ICAC Act.

Internal reports will be treated in confidence so far as reasonable with reference to any investigation or outcomes.

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External notification

Required external notifications, such as ICAC or the Police, will be assessed on a case-by-case basis by a nominated recipient. All Elected Members and workplace participants have a legal obligation to report suspected fraud ~~to the ICAC~~ in line with the ICAC Act.

Any suspected fraud committed by officers from other organisations will be dealt with under the ICAC Procedure.

Related policies and procedures

City of Darwin’s key documents that form the Fraud and Corruption Control Policy Protection Plan are:

- 1056.100.E.R Fraud Prevention Policy
- 1056.010.I.R Fraud Prevention Procedure
- Code of Conduct
- ICAC Procedure
- internal controls
- various registers and disclosures.

City of Darwin undertakes annual independent internal and external audits and participates in compliance reviews undertaken by the Department of Chief Minister and Cabinet.

City of Darwin recognises that fraud prevention and control helps create an open and honest culture and support a sound governance framework.

3.2 Implementation of Fraud and Corruption Control Policy Protection Plan

In implementing the Fraud and Corruption Control Policy Protection Plan, City of Darwin will:

- comply with relevant legislation
- engage and support the Risk Management and Audit Committee
- promote fraud and corruption prevention
- model ethical behaviour, consistent with Codes of Conduct
- provide fraud awareness training to help all workplace participants understand their responsibilities
- use delegations, approval processes and internal controls to reduce the opportunity for fraud
- use monitoring systems to prevent and detect fraud
- conduct regular fraud risk assessments
- develop and implement procedures for reporting suspected fraud
- train key employees on how to deal with suspected fraud, preserve evidence and apply natural justice processes.
- implement and monitor policies for:
 - the receipt of gifts and benefits
 - managing conflict of interest

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- o use of motor vehicles
- o official travel.

3.3 Workplace participant requirements

Leader / team	Responsibilities
Elected members	<ul style="list-style-type: none"> Approve policy, provide oversight and receive advice on managing risk through the Risk Management and Audit Committee.
Leadership group	<ul style="list-style-type: none"> Implement the Fraud and Corruption Control Policy Protection Plan. Lead by example and model ethical behaviour. Establish controls and procedures for the prevention and detection of fraud Identify fraud risks and ensure regular risk assessments are undertaken. Ensuring workplace participants are aware of their responsibilities under the Code of Conduct Ensuring workplace participants are aware of City of Darwin's policy on fraud and encouraging the prompt reporting of any instances of suspected fraud.
Senior leadership team	<ul style="list-style-type: none"> Displaying leadership in compliance with legislation and City of Darwin's policies, procedures and systems of internal control. Ensuring that they are aware of indicators of fraudulent and corrupt conduct and responding appropriately to such indicators. Establishing adequate internal controls to provide for the security and accountability of City of Darwin's resources to prevent or reduce the opportunity for fraud.
Employees	<ul style="list-style-type: none"> Maintaining awareness of fraud prevention and control and adhering to policies and procedures.

3.4 Fraud risks

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The following organisational weaknesses increase the risk of fraud:

- lack of documented procedures and controls
- individuals or areas being responsible for multiple duties within an accountable process
- lack of clarity around roles and responsibilities
- not setting and enforcing delegations and permissions
- poor physical and information technology security
- not checking and reporting on transactions (exception reporting)
- high work volume
- staffing issues
- poor leadership and culture
- unrealistic expectations
- poor staff development
- close relationships with suppliers.

Indicators of potential fraud include:

- addiction issues
- higher than expected standard of living
- evasive behaviour or becoming annoyed when questioned
- not taking leave or taking leave in short blocks
- working or demanding excessive overtime
- taking control of specific duties, or the bulk of duties in a work area

Workplace participants are encouraged to look out for these signs and report anything unusual to their supervisors and/or appropriate authorities.

Some indicators of fraud may be signs of issues such as mental health problems and it is important to remember that these indicators are not proof that the person is engaging in fraud.

3.5 Prevention

It is not possible to completely prevent fraud. City of Darwin’s internal controls help minimise the risk with:

- documented operational procedures and controls
- merit based recruitment and checks to ensure the integrity of candidates
- segregation of conflicting functions such as procurement, revenue collection and accounts payable
- secondary review and approval controls
- accounting controls such as balancing procedures, stocktakes and regular reconciliations
- physical controls preventing unauthorised access to information, data and assets
- supervisory controls which monitor key day to day functions such timesheets and cash handling
- management controls such as monthly budget reporting and review, exception reporting and data analysis
- ICT controls to prevent access and changes to data such as creditors and debtors lists, and receipting/payment routines.

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3.6 Detection

Fraud may be discovered through:

- use of monitoring systems
- internal or external audit
- confession by those involved
- tip-off by an informant or whistleblower
- notification by external agency
- observation and reporting by the public, colleagues or management

It is important that if fraud is suspected or observed that any available evidence is preserved and that the suspected perpetrator is not alerted to the suspicions.

It is also important to report and investigate suspected fraud as quickly as possible to minimise potential loss or damage to the organisation.

3.7 Notification

If fraud is suspected, workplace participants should:

- create a record of the suspicious activity
- where possible, ensure that information received can be verified and the facts can be determined without alerting other workplace participants of your suspicions
- where possible, gather evidence and other information relating to the suspected fraud
- report the suspected fraud to the CEO, a nominated recipient or the ICAC as directed in the ICAC Procedure.

~~The person who suspects fraud should not confront the person they suspect or speak about it with anyone else. The person they suspect will be notified if an investigation follows.~~

All evidence related to the notification should be recorded and everything should be kept in a central file in a secure and confidential location.

If reporting internally, the nominated recipient will provide advice on any external notifications or protected communications to ICAC in line with the ICAC Procedure and ICAC Act. Reports can be categorised as mandatory or voluntary, with definitions and reporting timeframes provided for in the ICAC Procedure, supported by the ICAC Act.

~~In addition to any ICAC investigation, the CEO may undertake an investigation. ICAC or the CEO may refer the matter to additional authorities including NT Police. City of Darwin's insurers and external auditors may also be notified.~~
The person who suspects fraud should not confront the person they suspect or speak about it with anyone other than the nominated recipient, a person authorised by City of Darwin, or a prescribed public officer under the ICAC Act. The person they suspect will only be notified if an investigation follows.

3.8 Investigation

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ICAC may undertake an investigation to determine whether any fraud has occurred.

In addition to any ICAC investigation, the CEO may undertake an investigation. ICAC or the CEO may refer the matter to additional authorities~~other entities~~ including NT Police. City of Darwin's insurers and external auditors may also be notified.

3.83.9 Review of internal controls and risks

Where fraud is confirmed it will trigger a review of the relevant elements of the Fraud and Corruption Control Policy Protection Plan.

Strategic risk reviews should be conducted by the Chief Executive Officer or their delegate and reviewed by Council on advice from the Risk Management and Audit Committee.

Operational risk reviews should be conducted by the relevant manager and reviewed by the Leadership Group.

After a fraud incident, a report on the incident and outcomes must be prepared for the Risk Management and Audit Committee along with any proposed responses to strengthen internal controls. City of Darwin will consider any recommendations made by the Risk Management and Audit Committee.

3.93.10 Disciplinary action

Disciplinary action will be taken against any person found to be involved in fraud in accordance with the provisions of City of Darwin’s Code of Conduct and relevant legislation.

3.103.11 Restitution or recovery of funds

City of Darwin will take action against any person found to be involved in fraud to recover all losses incurred, including the cost of any action, where feasible.

4 Definitions

Fraud means, according to the Australian Standard on Fraud and Corruption, AS8001:2021 ‘dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.’

5 Legislative references

Independent Commissioner Against Corruption Act 2017 (NT)

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Local Government Act 2019 (NT)
Local Government (General) Regulations 2021 (NT)

6 Procedures/related documents

- 0096.100.E.R Independent Commissioner Against Corruption Procedure
- 1056.100.E.R Fraud Prevention Policy
- [2310.100.E.R Risk Management Policy](#)
- [2310.010.I.R Risk Management Procedure](#)

7 Responsibility/application

The General Manager Corporate Services Is responsible for implementation and review of this procedure.

All employees are responsible for adhering to this procedure.

This procedure will be reviewed every four years, or as required.

8 Document control

Document Number			Responsible Officer:	
Version	Decision Number	Adoption Date	History	Next Review Date
1		26/06/2020	Endorsed by RMAC following approval by SDG and SLT	
2				

6.4 REVIEW OF INDEPENDENT COMMISSIONER AGAINST CORRUPTION PROCEDURE

Author: Executive Manager HR and Safety

Authoriser: General Manager Corporate

Attachments:

1. **Current - Independent Commissioner Against Corruption Procedure** [↓](#)
2. **Revised - Independent Commissioner Against Corruption Procedure** [↓](#)

RECOMMENDATIONS

1. THAT the report entitled Review of Independent Commissioner Against Corruption Procedure be received and noted.
2. THAT the Committee recommend that Council adopts the revised Independent Commissioner Against Corruption Procedure at **Attachment 2**.

PURPOSE

The purpose of this report is to seek feedback and endorsement for the revised Independent Commissioner Against Corruption (ICAC) Procedure.

KEY ISSUES

- The ICAC Procedure in its current version was implemented in August 2020.
- The ICAC Procedure is due for review.
- The Office of the ICAC released directions and guidelines in early 2024 which have been incorporated into the revised ICAC Procedure.

DISCUSSION

ICAC Procedure

In August 2020 the current ICAC Procedure was developed and implemented. The purpose of the procedure is to provide guidance on how City of Darwin will engage with the ICAC to address wrongdoing in, or connected with, public administration by:

- promoting awareness of improper conduct
- improving public confidence that improper conduct will be detected and dealt with appropriately
- establishing procedures for the detection and reporting of improper conduct
- protecting whistleblowers.

Contained in the procedure is information that:

- defines improper conduct
- provides advice on how to identify improper conduct
- outlines reporting obligations
- provides procedures for reporting directly to the ICAC and/or City of Darwin
- outlines protections from retaliation
- explains rules relating to misleading reports
- outlines general powers of the ICAC
- outlines the responsibilities of Council and individuals in relation to an ICAC investigation.

The current procedure was due for review and has been redeveloped to incorporate and align with directions and guidelines issued by the Office of the ICAC earlier this year. As part of the review the procedure was transitioned on to the new procedure template. The current ICAC Procedure is contained in **Attachment 1**, the revised ICAC Procedure in **Attachment 2**.

City of Darwin obtained legal advice for the review of the procedure to ensure that the requirement to reflect the information contained in the directions and guidelines issued in 2024 is met.

Key changes include:

1. The current procedure contains two ICAC templates (Mandatory Reporting Template, Protected Communication Notice); in the revised ICAC Procedure these no longer form part of the document. This is to ensure that the document remains current should ICAC change their templates. Additional information about what information is required to make a report is included in the revised procedure document and links to the forms will be provided in the document location on both, the City of Darwin Intranet and Internet.
2. The revised procedure contains more detailed information about the process that prescribed public officers must follow when receiving a protected communication. This is to align with the directions and guidelines.
3. The revised procedure contains more detailed information about the process that is undertaken by City of Darwin (through its prescribed public officers) to protect persons making a protected communication (whistleblowers). This is to align with the directions and guidelines.
4. The revised procedure contains more detailed information (at Annexure A) about the types of improper conduct.

<p>PREVIOUS COUNCIL RESOLUTION</p> <p>At the 25 August 2020 meeting Council resolved:</p> <p>RESOLUTION ORD278/20</p> <p>Moved: Alderman Jimmy Bouhoris Seconded: Alderman Andrew Arthur</p> <ol style="list-style-type: none"> 1. THAT the report entitled ICAC Procedure and Fraud Prevention Policy is received and noted. 2. THAT Council approve the ICAC Procedure contained in Attachment 1. 3. THAT Council approve the revised Council Policy No. 029 <i>Fraud Prevention Policy</i> contained in Attachment 2. <p style="text-align: right;">CARRIED 9/0</p>	
STRATEGIC PLAN ALIGNMENT	6 Governance Framework 6.4 Accountability
BUDGET / FINANCIAL / RESOURCE IMPLICATIONS	<p>Budget/Funding: nil</p> <p>Is Funding identified: n/a</p> <p>n/a</p> <p>Existing Position No: n/a</p> <p>Contractor: n/a</p>
LEGISLATION / POLICY CONTROLS OR IMPACTS	<p>Legislation: Independent Commissioner Against Corruption Act 2017</p> <p>Policy: If adopted by Council, the procedure will replace the current ICAC Procedure and will be published on the City of Darwin Internet and Intranet.</p>
CONSULTATION, ENGAGEMENT & COMMUNICATION	<p>Engagement Level: Consult</p> <p>Tactics: n/a</p> <p>Internal: The procedure was reviewed by City of Darwin's prescribed officers (CEO and nominated recipients) and the General Managers.</p> <p>External: Legal advice was obtained in preparation of the revised procedure.</p>
DECLARATION OF INTEREST	<p>The report author does not have a conflict of interest in relation to this matter.</p> <p>The report authoriser does not have a conflict of interest in relation to this matter.</p> <p>If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).</p>



INDEPENDENT COMMISSIONER AGAINST CORRUPTION

No. 0096.100.E.R

1 PURPOSE

Corruption in the public sector can cause serious damage including:

- undermining public trust in government
- wasting public resources and money
- causing injustice through advantaging some at the expense of others
- inefficiencies in operations
- adversely affect prosperity by decreasing attractiveness for investment, and
- reputational damage, including damaging Council's ability to recruit and retain quality staff or obtain best public value through procurement.

Ensuring that disclosure of corruption is supported protects our community by protecting public value and Council's reputation.

The object of this procedure is outline how Council will engage with the Independent Commissioner Against Corruption (ICAC) to address wrongdoing in, or connected with, public administration by:

- promoting awareness of improper conduct
- improving public confidence that improper conduct will be detected and dealt with appropriately
- establishing procedures for the detection and reporting of improper conduct, and
- protecting whistleblowers who put themselves at risk of harm by exposing or reporting improper conduct.

2 SCOPE

This procedure outlines the roles and responsibilities of Elected Members of Council, management and staff in relation to the detection and reporting of improper conduct and the protection of whistleblowers who expose or report improper conduct.

All are under a legal obligation to mandatorily report suspected improper conduct to the ICAC. There may also be situations where they choose to voluntarily report suspected improper conduct to Council instead of directly to the ICAC. This procedure addresses both possibilities.

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3 PROCEDURE STATEMENT

3.1 WHAT IS IMPROPER CONDUCT

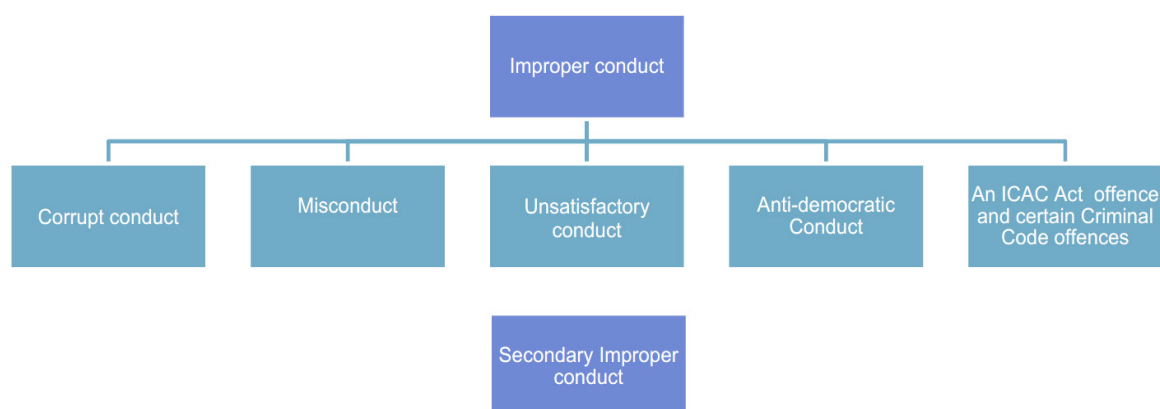
The *Independent Commissioner Against Corruption Act 2017* (NT) (ICAC Act) establishes an obligation for mandatory reporting of suspected improper conduct.

The ICAC Act applies to conduct that occurred prior to the establishment of the ICAC in November 2018 and to conduct:

- by persons who were Council staff and members of Council at the time the conduct was engaged in but who have since ceased to work for the Council or to be members of the Council
- a member, officer or employee of anybody that receives, directly or indirectly, Council resources, or performs a public function on behalf of Council, and
- conduct that occurs outside of the Territory.

The obligation to report suspected improper conduct applies to such conduct.

Improper conduct includes six types of conduct:



Each type of improper conduct is defined in detail in the ICAC Act. All staff are to be familiar with those definitions and the conduct to which the ICAC Act applies.

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3.2 IDENTIFYING IMPROPER CONDUCT

It is generally easier to identify whether an individual (as opposed to a public body) has engaged or is engaging in conduct which may attract the operation of the ICAC Act because the conduct of an individual can be observed.

However, it is often more difficult to determine whether a public body (such as the Council) has engaged in or is engaging in such conduct because a public body generally conducts itself through the acts or omissions of individuals.

The ICAC Act addresses this issue by providing that a public body engages in conduct if:

- the conduct is engaged in by a person or body with the authority to act on behalf of the public body
- the conduct occurs and a person or body with the authority to act on behalf of the public body expressly, tacitly or impliedly authorises or permits it to occur, or
- the conduct occurs and a corporate culture exists in the public body that directs, encourages, tolerates or leads to it occurring, or
- the conduct occurs and the public body has failed to create and maintain a corporate culture to deter or prevent it occurring.

Council is committed to a corporate culture which does not tolerate any wrongdoing in or connected with the administration of Council's affairs. Council is committed to ensuring that all members of Council and staff have the capacity and competence to recognise what is right and wrong and are empowered to respond to and report any wrong doing in a supported environment without fear of retaliation.

3.3 REPORTING OBLIGATIONS

Council as an entity and Elected Members of Council, executive management and staff are each under a mandatory obligation to report suspected improper conduct to the ICAC. The improper conduct must be reported to the ICAC unless the public body or public officer knows for a fact that the conduct has already been reported to the ICAC. The obligation to report is engaged where the person forms a reasonable suspicion that improper conduct has occurred, is occurring, or will occur. The improper conduct must be reported as soon as practicable after the public body or public officer forms a reasonable suspicion as to the conduct.

Suspected improper conduct must still be reported to the ICAC even if the conduct has already been referred to another public body or public officer such as the Northern Territory Police, the Ombudsman or the Auditor-General.

Suspected improper conduct can be reported in one of two ways:

- directly to the ICAC under the mandatory reporting procedure in section 3.4 below, or
- to the CEO or a nominated recipient under the voluntary protected communication procedure in section 3.5 below.



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Any member of the community or a community organisation may also report suspected improper conduct to the ICAC at any time.

A report of suspected improper conduct can be made anonymously to the ICAC if an individual prefers not to disclose their identity.

Conduct must be reported where a person has formed a reasonable suspicion that the conduct may amount to improper conduct.

Suspicion is a state of mind. It is different to having actual knowledge that something has occurred. A reasonable suspicion is not raised just by someone's appearance or behaviours. A suspicion arises when there is something out of place or inappropriate about someone's appearance or behaviour. A reasonable suspicion arises from the facts surrounding that appearance or behaviour. A person need not be convinced about the behaviour, but the belief must have some factual basis and be more than mere speculation or conjecture.

The ICAC recommends people take a prudent approach and report the conduct in any event so that the ICAC can then deal with it.

3.4 PROCEDURE FOR REPORTING DIRECTLY TO ICAC

If a person needs to make a report of improper conduct directly to the ICAC they are encouraged to complete the information in the Mandatory Reporting Template at **Attachment A**. The report must include, but is not limited to:

A. The report must include, but is not limited to:

- the details of the suspect improper conduct (description of the activity or events, dates and location details etc)
- the names of all persons and entities suspected of having been involved in the suspected improper conduct
- how the suspected improper conduct became known
- any evidence that may be relevant to the suspected improper conduct (emails, documents, invoices etc), and
- the names of any persons who can give evidence relevant to the improper conduct.

The completed Mandatory Reporting Template can be sent by email to report.submission@icac.nt.gov.au or by mail to GPO Box 3750, Darwin NT, 0801.

People can also contact the ICAC by telephone to report improper conduct by calling 1800 250 918 or in person by attending the ICAC office at Level 7, 9 Cavenagh Street, Darwin 0801. If a person wishes to make a report in person, they should call the ICAC office first to schedule a date and time in advance.

Alternatively, a report may be made via the ICAC website by completing the form at <https://icac.nt.gov.au/make-a-report>.



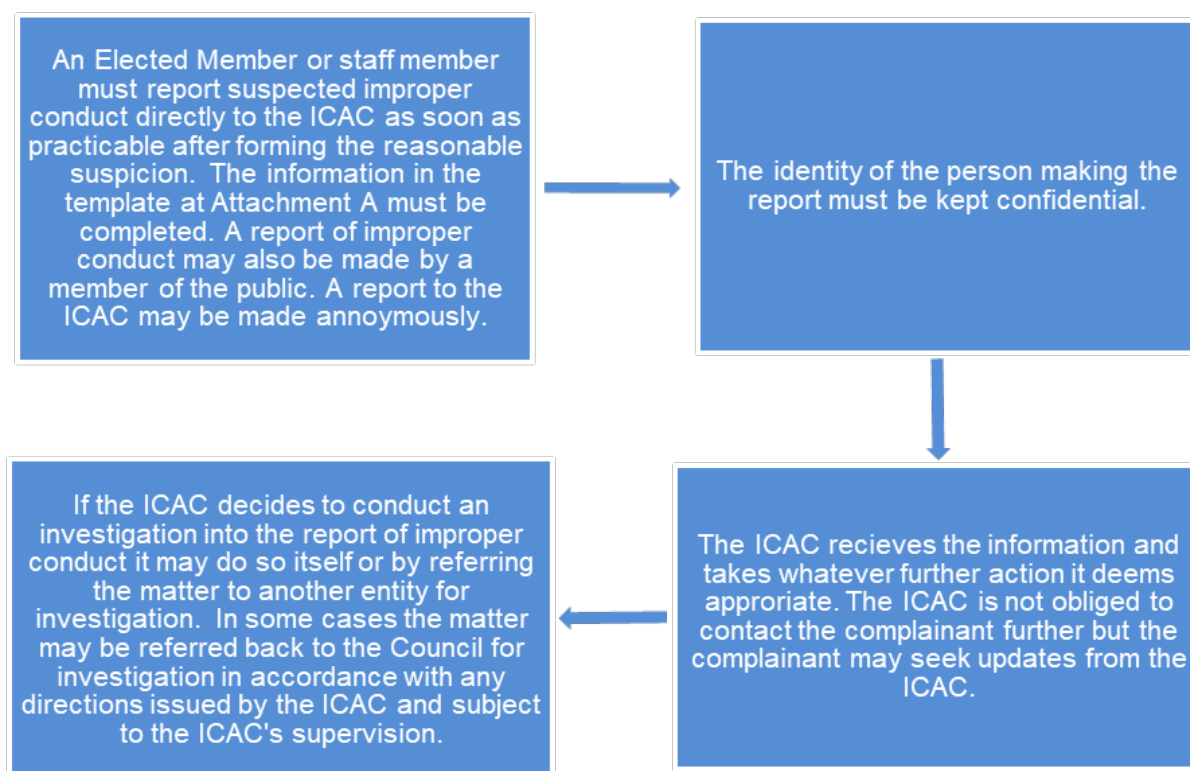
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After receiving a report, the ICAC may require that a person:

- verifies the information you have provided by statutory declaration
- answers questions, or provides further information, in relation to the information contained in the report.

Additionally, the ICAC may require that people produce items in their possession or control that are relevant to the information provided. They may also be requested to verify any further information or items by statutory declaration.

The process below outlines the steps that the ICAC may take upon receiving a report of suspected improper conduct.



3.5 REPORTING TO COUNCIL

Members of Council, staff and members of the public may choose to voluntarily report suspected improper conduct to the CEO or a person nominated by the CEO to receive such reports. They may also wish to disclose information that they believe on reasonable grounds would assist the ICAC to perform its functions or would otherwise assist in the administration, or achieving the objects, of the ICAC Act.

In accordance with section 97 of the ICAC Act, the CEO has appointed a number of nominated recipients and made their identity and contact details publicly available for this purpose. That information is contained on Council's intranet, website and induction materials. The persons appointed as nominated recipients and their contact telephone numbers are:

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Nominated Recipient	Contact Details
Christopher Kelly	0448 015 957
Alexandra Vereker	0427 172 026
Vanessa Green	0402 965 941
Matt Grassmayr	0417 881 127

When a whistleblower makes a report to the CEO or a nominated recipient it is known as a “voluntary protected communication”. The person(s) who receives the report is required to provide details of the report to the ICAC as soon as possible. The person(s) who receives the report is also required to keep the identity of the whistleblower confidential. The ICAC Act provides a range of protections for whistleblowers including protection from retaliation.

A report of suspected improper conduct can be made anonymously to the Chief Executive Officer (CEO) or a nominated recipient if an individual prefers not to disclose their identity.

As soon as practicable after receiving a protected communication the recipient of the protected communication must give the person who made the communication a completed written notice. The template is at **Attachment B**.

If a person has made a voluntary protected communication to the CEO or a nominated recipient, and that information is then provided to the ICAC, the ICAC may require that person to:

- verify the information provided by statutory declaration
- answer questions, or provide further information, in relation to the information contained in the report.

Additionally, the ICAC may require that a person produce items in their possession or control that are relevant to the information you have provided. They may also be requested to verify any further information or items by statutory declaration.

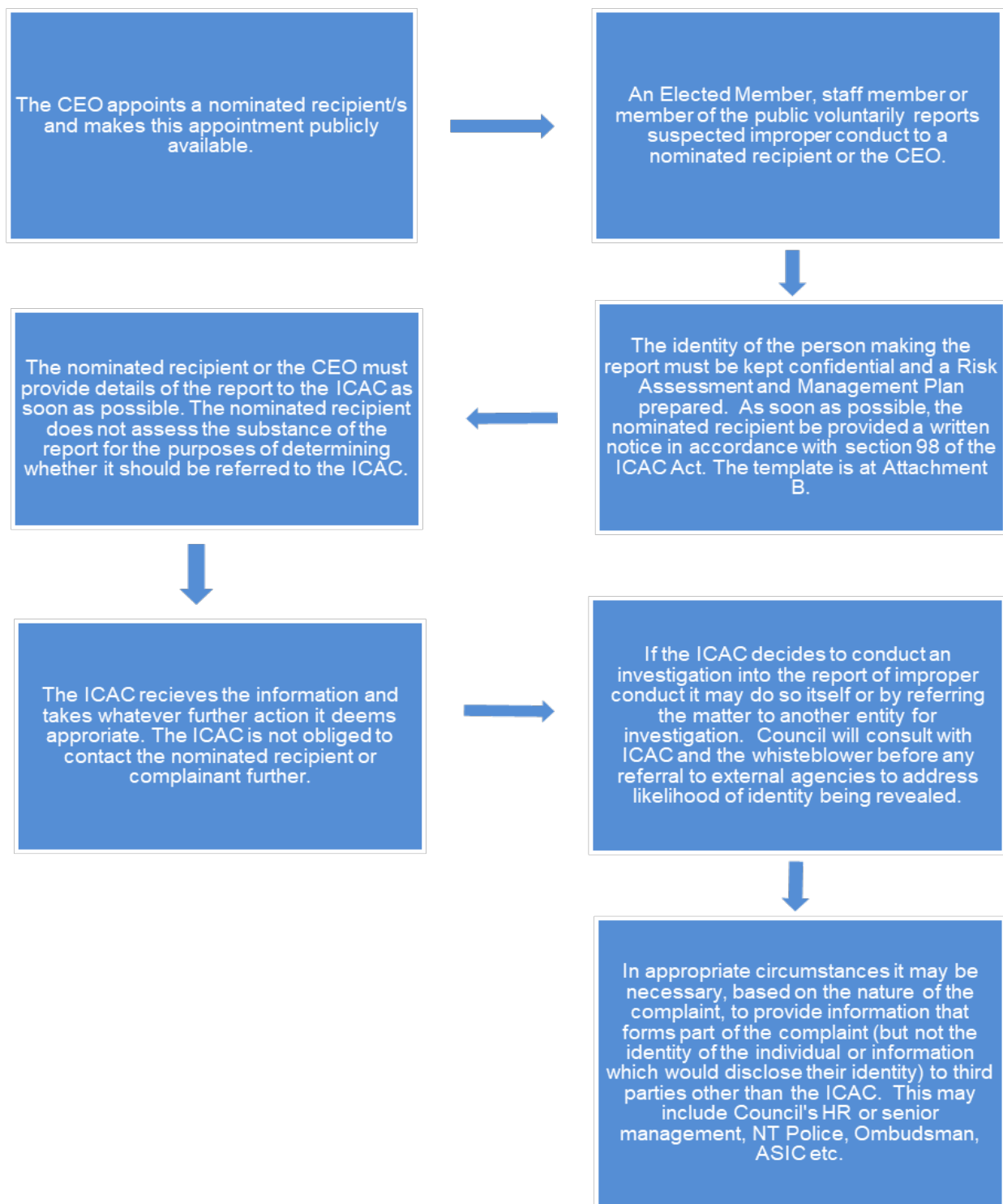
The process below outlines the steps that the CEO or a nominated recipient must take upon receiving a protected communication in accordance with the ICAC Act.

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3.6 RETALIATION

The ICAC Act prohibits a person from engaging in retaliation.

Under the ICAC Act, a person engages in retaliation against another person (the victim) if the person causes, or threatens to cause, harm to the victim:

- with the intention of discouraging the victim or a third person from taking protected action under the Act;
- with the intention of discouraging the victim or a third person from supporting a protected person under the Act;
- because of protected action taken by the victim under the Act, or suspected by the person engaging in the retaliation to have been taken by the victim; or
- because of action taken by the victim to support a protected person under the Act or suspected by the person engaging in the retaliation to have been taken by the victim to support a protected person.

Retaliation is an offence under the ICAC Act and punishable by penalties of up to 400 penalty units or two years imprisonment. A person who engages in retaliation is also liable to pay an amount to the victim as compensation for the retaliation. Retaliation also constitutes improper conduct and the Council is required to report information about alleged or suspected retaliation or reprisal to the ICAC.

If a person experiences or fear retaliation, they should report this to the CEO or a nominated recipient and/or directly to the ICAC. Steps can then be taken to minimise the risk that they will be exposed to retaliation or further retaliation.

Keeping the fact that you have made a protected communication confidential is a good way of reducing the risk that you will be exposed to retaliation.

If a person experiences or fear retaliation, Council provides support for whistleblowers. The support services that are offered by the Council include:

- referral to professional support services, and
- potential facilitation of a conciliation of personality or workplace issues.

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3.7 MISLEADING REPORTS

Reports found to be misleading will not be actioned by the ICAC.

It is an offence under the ICAC Act for a person to make a report or provide information in connection with a report knowing that the information is misleading. A report is not considered to be misleading solely on the grounds that it cannot be substantiated. If a person provides false or misleading information to a person acting in an official capacity under the ICAC ACT, they may face penalties of up to 400 penalty units or two years imprisonment.

Misleading information is information that is misleading in a material particular or because of the omission of a material particular. Something may be misleading because a person reports information that they know is not true. It may also be misleading because they choose to omit something which is important to the facts. If there is something in a document which they propose to provide that they know is untrue or misleading, they are required to draw the misleading aspect of the document to the other person's attention to avoid committing an offence.

If a person subsequently become aware that information provided was false or misleading, they should correct or clarify that information as soon as reasonably practical.

3.8 GENERAL POWERS OF ICAC

An authorised officer of the ICAC may enter and remain on premises (which includes a vehicle) occupied or used by Council or members of Council and staff for official duties at any time for the purposes of performing functions under the ICAC Act. This does not include residential premises.

An authorised officer of the ICAC may enter and remain on any other premises if the officer believes on reasonable grounds that there is anything that may be evidence of improper conduct on the premises. This power may only be exercised with the consent of the owner or occupier of the premises or with the authority of a search warrant.

An authorised officer who lawfully enters premises may exercise one or more of the following powers:

- search the premises and examine anything on the premises (opening a thing by force if necessary)
- take photographs and make audio and video recordings of anything on the premises
- operate equipment or facilities on the premises
- seize anything found on the premises that the authorised officer believes on reasonable grounds may be evidence of improper conduct and retain it for as long as may be necessary
- issue a retention notice requiring that a thing which has been seized not to be moved or interfered with without the approval of an authorised officer; or the authorised officer may secure that thing against interference.



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If the authorised officer issues a retention notice, it must be complied with as it is an offence to intentionally contravene it.

Additionally, while on the premises the authorised officer may require a person to do any of the following:

- state their full name, date of birth and provide contact details
- produce evidence of identity
- answer (orally or in writing) questions asked by the authorised officer
- produce a thing the authorised officer believes on reasonable grounds is connected with improper conduct
- operate equipment or facilities on the premises
- give the authorised officer any translation, code, password or other information necessary to gain access to, or interpret and understand, anything located or obtained by the officer in the course of exercising the authorised officer's functions
- give other assistance the authorised officer reasonably requires.

Finally, an authorised officer may give directions to the person in charge of a vehicle or vessel in relation to the stopping or movement of the vehicle or vessel.

If an authorised officer requires any of these things, a person must comply with that requirement to the extent they are able to do so and, if asked a question, to answer it to the best of their knowledge, information and belief. Failing to comply with such a requirement is an offence.

For the performance of the ICAC's functions under the ICAC Act, an authorised officer may, at any time, require the Council or members of Council and staff to:

- answer specified questions or provide specified information
- produce specified items, or items of a specified kind, in the Council's or an individual's possession or control.

In doing so, the authorised officer must inform the Council or the individual person whether they are under investigation by the ICAC.

The authorised officer may require the Council or the individual person to verify any information or items provided in accordance with such requests by statutory declaration.



4 DEFINITIONS

CEO means the Chief Executive Officer of the Council.

ICAC means the Independent Commissioner Against Corruption.

ICAC Act means the *Independent Commissioner Against Corruption Act 2017*.

Improper conduct means improper conduct (defined broadly in section 9 of the ICAC Act).

Nominated recipient means the person(s) appointed by the CEO and notified to the ICAC from time to time to receive voluntary reports of suspected improper conduct within Council.

Protected communication means:

- information in a report of suspected improper conduct made by an individual to the ICAC under the mandatory reporting regime; or
- information that an individual believes on reasonable grounds would tend to show that improper conduct has occurred, is occurring or is at risk of occurring, or would assist the ICAC to perform its functions or would otherwise assist in the administration, or achieving the objects of the ICAC Act, that is provided by the individual to any of the bodies referred to in section 93(1)(b) of the ICAC Act (which includes to the ICAC or the CEO or a nominated recipient of the Council).

Despite any other provisions, the ICAC can declare a communication protected under section 94 of the ICAC Act. If a person breaches sections 145-147 of the ICAC Act, relating to disclosure of information, they lose protected communication status.

Voluntary protected communication means a protected communication made otherwise than in compliance with the mandatory requirement to report suspected improper conduct (for example, where an individual decides to refer suspected improper conduct to the CEO or a nominated recipient of the Council rather than directly to the ICAC).

5 LEGISLATIVE REFERENCES

Independent Commissioner Against Corruption Act 2017

6 PROCEDURES AND RELATED DOCUMENTS

Mandatory Reporting Template (Attachment A)

Protection Communication Notice (Attachment B)

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7 RESPONSIBILITY AND APPLICATION

Where a matter comes to the ICAC's attention that may involve improper conduct, the ICAC may make preliminary inquiries to determine whether to:

- refer the matter for investigation, or
- conduct its own investigation into the matter.

The ICAC may refer the matter back to Council to investigate. If it does so, the ICAC may also give the Council directions in relation to the referral, including directions as to:

- how the Council is to deal with the matter, and
- reporting requirements of the Council in relation to the matter.

The ICAC may also refer the matter to any other entity the ICAC considers appropriate to investigate. This may include the Ombudsman, the Electoral Commissioner, the Director of Public Prosecutions, the NT Commissioner of Police or another law enforcement agency. The ICAC may refer the matter to more than one referral entity.

If the matter is referred to Council or another entity, the ICAC is under no obligation to disclose the original source of the information.

The ICAC may decide to commence an investigation of the Council or Elected Members of Council, executive management and staff to ascertain whether improper conduct has occurred, is occurring or is at risk of occurring. The ICAC may commence an investigation even if it has not received a report of suspected improper conduct or the matter has also been referred to a referral entity or is being investigated by another entity. In undertaking an investigation, the ICAC has broad investigative powers under the ICAC Act.

The ICAC has broad ranging coercive powers to require persons to assist with its investigations and to enter premises to search and seize documents and information. There are only limited situations where Council or Elected Members, executive management or staff may refuse to provide documents and information on the basis of a claim for privilege or confidentiality.

If the Council or its public officers are required by the ICAC to participate in an investigation or provide documents and information, consideration should be given to obtaining legal advice on those matters.

If the ICAC is conducting an investigation, it may require a person to:

- answer specified questions or to provide specified information, or
- produce specified items in their possession or control.

In doing so, the ICAC is required to state the nature of the matters about which a person are to be questioned, or to which the information requested to be provided or the items requested to be produced relate, unless the ICAC considers on reasonable grounds that doing so would be:

- likely to prejudice the conduct of the investigation; or
- contrary to public interest.



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Unless the ICAC requests an oral response to a question it has asked, the ICAC is required to give a written notice to provide information or produce an item. The notice:

- may require verification of the information or item by statutory declaration, and
- must state the time within which the information is provided, or the item is produced.

If the ICAC is conducting an investigation, it may require a person to attend the ICAC for a private examination or for a public inquiry. Prior to doing so, the ICAC must give a written notice:

- requiring a person to attend the private examination or public inquiry at a specified time and place
- stating the nature of the matters about which the person is to be questioned, except to the extent that the ICAC forms the view on reasonable grounds that doing so would be likely to prejudice the conduct of the investigation or would be contrary to the public interest, and
- if a person is under investigation, a statement of that fact.

The written notice may require a person to bring and produce to the ICAC at the private examination or public inquiry specified items, or items of a specified kind, that are in that person's possession or control and that are relevant to the investigation.

At the private examination or public inquiry, the ICAC may require one or more of the following:

- to take an oath to answer all questions truthfully
- to answer a question relevant to the investigation asked by the ICAC or by another person present at the examination, or
- to produce at the examination any items in your possession or control that are relevant to the investigation.

If, at a public inquiry, allegations are made against the Council or an individual that, if true, could reasonably affect the ICAC's findings on the subject matter of the inquiry, the ICAC must give the Council or that individual a reasonable opportunity to respond to the allegations.

People are also entitled to request the ICAC to allow them to be represented by a legal practitioner or an agent at the private examination or the public inquiry. If a person requests legal representation, the ICAC is required to grant the request (except in certain circumstances relating to the specific legal practitioner). The ICAC may grant the request for representation by an agent other than a legal practitioner if the ICAC considers it appropriate to do so.



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If a person is asked to attend a public inquiry for questioning, before they are questioned the ICAC is required to inform them that:

- a public inquiry, or part of it, may be held in private
- they are entitled to request that the ICAC give a direction that the inquiry, or part of it, be held in private if they are being asked to give an answer or any other evidence that:
 - they are not legally required to give
 - is about a personal or sensitive matter (such as if asked to give an answer or any other evidence about a personal health matter)
 - is about an offence that the person may have committed that is not directly related to the subject matter of the public inquiry, or
 - concerns the person for any other reason
- if they make such a request, their request will be heard and determined in private (unless the ICAC has reason to believe your request is vexatious or without merit).

The Executive Manager Corporate Services is accountable for the operation of this procedure. This procedure will be reviewed every two years or at other such time as is deemed necessary.

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Independent Commissioner Against Corruption

Mandatory Reporting Template

Section 22 of the *Independent Commissioner Against Corruption Act 2017* (NT) and the Mandatory Reporting Directions and Guidelines issued by the Independent Commissioner Against Corruption (**ICAC**) require that all public bodies and public officers to report suspected improper conduct to the ICAC as soon as practicable after the public body or public officer forms a reasonable suspicion as to the improper conduct.

The sections marked with * must be completed. Upon completing this template, you should send it to the ICAC by emailing it to report.submission@icac.nt.gov.au or posting it to GPO Box 3750, Darwin NT, 0801.

Name

You can make a report anonymously, but it will impact the ICAC's ability to seek further information and its ability to progress your report.

Have you already reported this matter to the ICAC?

Yes ☐ No ☐

You must report suspected improper conduct to the ICAC unless you know, for a fact, that the conduct has already been reported to the ICAC. This does not prevent you from making a second report of the same conduct if you are not convinced, as a matter of fact, that the conduct has already been reported to the ICAC.

If yes, please provide your ICAC reference number (if known) and details of the response your received.

Have you previously reported this matter to another agency?Yes ☐ No ☐

You must report suspected improper conduct to the ICAC even if it has already been referred to another public body or public officer, including but not limited to the Ombudsman, the Auditor-General or the Northern Territory Police Force.

If yes, please provide the following details.

The agency/agencies you reported the conduct to:

When did you report the conduct to the agency/agencies referred to above:

What was the result of your report/reports referred to above:

REPORT DETAILS**Details of the public body, public officer or other person suspected of having been involved in the improper conduct***

You are required to provide information regarding the identity of all person and entities (whether public officers, public bodies or otherwise) suspected of having been involved in the suspected improper conduct.

Public bodies include, but are not limited to, the following: NT Government departments, authorities, bodies; local government councils; the NT Police Force; the NT Supreme Court and Local Court; government owned corporations; public hospitals; Charles Darwin University; the Bachelor Institute of Indigenous Tertiary Education; and any other body, whether incorporated or not, that receives public resources or performs a public function on behalf of the Territory, a public body or a public officer.

Public officers include, but are not limited to, the following: a NT minister; a member of the NT Legislative Assembly; the holder of an office established under an NT Act who is appointed by the Administrator or a minister; and a member, officer or employee of a public body.

Details of the suspected improper conduct*

Provide a description of the improper conduct you suspect occurred:

Provide details regarding when you suspect the improper conduct occurred:

Provide details of where you suspect the improper conduct occurred (if known):

Provide any further information you think may assist the ICAC investigate the suspected improper conduct:

Provide details (if possible) of the impact of the suspect improper conduct:

You are required to provide details of the matter that you suspect is improper conduct. If you do not know the exact time or date that the suspected improper conduct occurred, please provide an approximate date (eg January 2020). If you suspect the conduct happened more than once, then please list the approximate timeframes. If you do not know the exact location of where you suspect the improper conduct occurred, please provide an approximate location (eg the suburb, the town or city). The impact of the suspected improper conduct may relate to matters such as financial, personal or professional consequences of the suspected improper conduct.

How did the suspected improper conduct become known to you?*

You are required to provide information regarding how the suspected improper conduct became known to your or (where applicable) the public body you work for.

Provide any evidence to the ICAC that may be relevant to the suspected improper conduct*

You are required to provide to the ICAC any evidence that may be relevant to the suspected improper conduct (eg documents, correspondence). If you cannot provide evidence, please indicate where such evidence may be available if the ICAC decides to further investigate the matter.

Details of any persons who can give evidence to the ICAC relevant to the suspected improper conduct*

You are required to provide the names of any persons who can give further evidence to the ICAC that is relevant to the suspected improper conduct

Protected Communication Notice

Pursuant to section 98 of the *Independent Commissioner Against Corruption Act 2017* (NT) (**Act**), as soon as practicable after receiving a protected communication the recipient of the protected communication (**Recipient**) must give the person who made the communication (**Complainant**) this written notice. The Recipient is required to make reasonable efforts to give the Complainant this written notice and the information contained in it.

I, _____ [name], confirm that on _____ [date] I received a communication from the Complainant for the purposes of Part 6 of the Act.

Indication of the content of the communication from the Complainant:

[Provide a brief summary of the communication from the Complainant.]

The communication referred to in this notice is a protected communication for the purposes of the Act.

Information for Complainant:

The role of the Independent Commissioner Against Corruption

The Independent Commissioner Against Corruption (**ICAC**) serves to prevent corruption and guide the conduct of public officers, and works closely with public bodies and the community to achieve this.

The ICAC works independently from the direction of the NT Government and public sector.

The ICAC's role is not to settle disputes and disagreements, or appeal decisions made by the Courts. It investigates the most serious, sensitive and systemic corrupt conduct of public officers and public agencies. This includes Members of the Legislative Assembly, courts, tribunals, independent officers, and organisations and bodies who receive government resources through contracts and grants.

The ICAC does not prosecute but has wide-ranging powers to deal with improper conduct, and respond to allegations accordingly. The ICAC can undertake inquiries on matters that happened in the past, and has powers to investigate without having to receive a report.

Contact details for the ICAC's Office

Telephone (free call): 1800 250 918

Email:

- For general enquiries, email icac.nt@icac.nt.gov.au
- For formal complaints or reports, email report.submission@icac.nt.gov.au

Office address: Level 7, 9 Cavenagh Street, Darwin NT 0801

Postal address: GPO Box 3750, Darwin NT 0801

Website: <https://icac.nt.gov.au/>

Information for persons making protected communications pursuant to Schedule 2 of the Act

1. It is important you are aware that:
 - a) reporting improper conduct so that it can be dealt with is encouraged by the ICAC;
 - b) you are not entitled to know the full details of subsequent investigations or disciplinary action that may result from the information you have provided, but you may contact the ICAC's Office for a general outline of the action taken on the basis of the information you have provided;
 - c) keeping your identity confidential reduces the risk that you will be exposed to retaliation;
 - d) you are responsible for seeking assistance at an early opportunity if you experience or fear retaliation; and
 - e) you should consider accessing support services at an early opportunity to assist you to consider and manage the impacts of making the protected communication. Council's Employee Assistance Program can be contacted on their toll free number: 1800 193 123 or (08) 8941 1752.
2. The information you have provided will be given to the ICAC. ICAC may contact you for further information that will help to assess your report. ICAC will analyse the information in your report to determine if improper conduct or corruption has occurred. ICAC may also refer your report to another agency or body or determine to take no further action.

City of Darwin may have additional obligations in respect of the information you have provided. Accordingly, in addition to ICAC, it is likely that the following people will be given access to the information the subject of your report and it is likely that the following will be done with the information you have provided. In doing so, the City of Darwin will strive to maintain your anonymity and to limit the provision of the information to other persons only where it is necessary.

- **Note: select and populate options as appropriate**
- The other Nominated Recipients for the City of Darwin [delete if not applicable]. [Provide a brief description of what is to be done in, and the purpose of, providing this information to the other Nominated Recipients.]
- The Chief Executive of the City of Darwin [delete if not applicable]. [Provide a brief description of what is to be done in, and the purpose of, providing this information to the other Chief Executive of the City of Darwin.]
- The NT Police [delete if not applicable]. [Provide a brief description of what is to be done in, and the purpose of, providing this information to the NT Police.]
- [Add any other individuals or entities who may be provided with the information. [Provide a brief description of what is to be done in, and the purpose of, providing this information to such other individuals or entities.]

3. It is also important:

- a) to take care in communicating the information you have provided to the Recipient to other persons in ways that are not protected communications under the Act; and
- b) to note that you may apply to the ICAC for a declaration that an action taken by you in relation to the information you have provided to the Recipient is a protected communication.

4. The Act prohibits a person from engaging in retaliation.

Under the Act, a person engages in retaliation against another person (the victim) if the person causes, or threatens to cause, harm to the victim:

- a) with the intention of discouraging the victim or a third person from taking protected action under the Act;
- b) with the intention of discouraging the victim or a third person from supporting a protected person under the Act;
- c) because of protected action taken by the victim under the Act, or suspected by the person engaging in the retaliation to have been taken by the victim; or
- d) because of action taken by the victim to support a protected person under the Act, or suspected by the person engaging in the retaliation to have been taken by the victim to support a protected person.

The City of Darwin is required to report information about alleged or suspected retaliation or reprisal to the ICAC. If you experience or fear retaliation, you should report this to the City of Darwin's nominated recipients and/or directly to ICAC.

5. It is important that you do not provide false or misleading information to the Recipient and/or to ICAC. Misleading information is information that is misleading in a material particular or because of the omission of a material particular. Something may be misleading because you report information that you know is not true. It may also be misleading because you choose to omit something which is important to the facts. If there is something in a document which you propose to provide that you know is untrue or misleading, you are required to draw the misleading aspect of the document to the other person's attention to avoid committing an offence.

If you provide false or misleading information to a person acting in an official capacity under the Act, you may face penalties of up to 400 penalty units or two years imprisonment.

If you subsequently become aware that information provided by you was false or misleading you should correct or clarify that information as soon as reasonably practical.

6. If you disclose information in breach of sections 145 to 147 of the ICAC Act, you will lose any protections afforded by protected communication status and likely face penalties including fines and imprisonment.
7. If you experience or fear retaliation, the City of Darwin provides support for whistleblowers. The support services that are offered by the City of Darwin include:
 - Council's Employee Assistance Program which can be contacted on their toll-free number: 1800 193 123 or (08) 8941 1752;
 - a Risk Assessment and Management Plan to protect whistleblowers; and
 - potential facilitation of a conciliation of personality or workplace issues.

Note to Nominated Recipient

You do not need to give the Complainant this written notice if, despite making efforts that are reasonable in the circumstances, you are unable to contact the Complainant. This may include where it is not possible to contact a person who made a protected communication anonymously.

You will also need to provide to ICAC the information you have been provided by the Complainant. What you need to provide to the ICAC may be more extensive than the summary of the information recorded in this notice.



Independent Commissioner Against Corruption (ICAC)

Procedure No. 0096.100.ER

1 Purpose

This procedure outlines the roles and responsibilities of City of Darwin’s public officers, including elected members, staff, committee members and contractors, in relation to detecting and reporting improper conduct to the Independent Commissioner Against Corruption (ICAC) and/or City of Darwin.

2 Scope

This procedure applies to:

- reporting of improper conduct in line with the Independent Commissioner Against Corruption Act 2017 (NT) (ICAC Act)
- receiving and dealing with protected communications
- whistleblower protections and support.

3 Procedure

City of Darwin is committed to creating a culture of integrity, respect and excellence, and does not tolerate improper conduct in any form. Improper conduct in the public sector can cause serious damage including, but not limited to:

- undermining public trust in government
- wasting public resources and money
- unfair advantage/disadvantage
- inefficient operations
- reduced growth through lack of investor confidence
- reputational damage
- impact on City of Darwin’s ability to recruit and retain quality staff
- failure to obtain best public value through procurement.

By encouraging and supporting the reporting of improper conduct, City of Darwin maintains accountability and ensures public value and quality service delivery to the community.



3.1 Improper conduct

Improper conduct includes any past or current conduct, engaged in by a public officer, that is defined under the ICAC Act as:

- corrupt conduct (s10 of the ICAC Act)
- misconduct (s11 of the ICAC Act)
- unsatisfactory conduct (s12 of the ICAC Act)
- anti-democratic conduct (s15 of the ICAC Act)

Definitions for each of these types of conduct can be found at **Annexure A**.

3.2 Requirement to report to ICAC

Under the Independent Commissioner Against Corruption Act 2017 (NT) (ICAC Act) all public officers are required to make a **mandatory** report directly to ICAC if they suspect:

- corrupt and/or
- anti-democratic conduct.

City of Darwin public officers include:

- elected members
- workplace participants
- committee members
- external parties performing or overseeing any function on behalf of City of Darwin (e.g. contractors).

Public officers may make **voluntary** reports to ICAC about:

- other types of improper conduct (misconduct and unsatisfactory conduct)
- information that shows improper conduct has occurred, or there is a risk of improper conduct occurring
- other information that may assist ICAC.

The requirement to report exists when a person forms a suspicion that Improper Conduct has occurred, is occurring, or will occur. Reasonable suspicion is different to having actual knowledge that something has occurred, however there must be some basis upon which the public or prescribed public officer thinks it is possible, or even likely, that improper conduct has occurred or is occurring. For example, a reasonable suspicion might be formed from documents the public or prescribed public officer has read, conversations they have been privy to or information they have been provided by a person they consider to be reliable.



Reporting requirements apply regardless of whether the person who engaged in the conduct is still employed by, or affiliated with, City of Darwin. The only exception is if the public officer public or the prescribed public officer knows the matter has already been reported to ICAC.

Reporting a matter internally, or to other public bodies or public officers does not remove the requirement to report to ICAC.

Reports to ICAC can be made in several different ways:

- by completing a secure webform on the ICAC website, at <https://report.icac.nt.gov.au/>
- by sending a completed Mandatory Reporting Template to report.submission@icac.nt.gov.au
- by mailing a completed Mandatory Reporting Template to GPO Box 3750, Darwin NT 0801
- by calling ICAC on 1800 250 918
- in person, by making an appointment with ICAC using the free call number above.

3.2.1 Additional reporting requirements for prescribed public officers

The Chief Executive Officer (CEO) and nominated recipients are prescribed public officers under the ICAC Act, meaning they **must make a mandatory report** for all types of suspected improper conduct.

3.3 Protected communications

Information regarding suspected improper conduct or other information relevant to ICAC, that meets certain criteria and is reported via the channels above is a ‘protected communication’ (PC) under the ICAC Act.

A PC can be made verbally or in writing and may be made anonymously.

Mandatory PCs regarding corrupt or anti-democratic conduct **must be made directly to ICAC**.

Voluntary PCs regarding other types of improper conduct and information relevant to ICAC can be made directly to ICAC or via City of Darwin’s prescribed public officers.

The person making the report must state that the information is being reported to the person as a PC, in the receiver’s capacity as a nominated recipient under the ICAC Act.

PCs should include the following details:

- contact details, if the report is not made anonymously
- details of any reports about this conduct or information already made to ICAC, or any other person/organisation
- nature of the improper conduct or information
- location, time, suspected participants and impact
- how the issue came to light

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- any other relevant information and/or evidence
- details of other people who could provide evidence to ICAC.

Once a purported protected communication has been made, the person reporting is considered a ‘purported protected person’ and is protected from retaliation under the ICAC Act.

While the public prescribed officer as the recipient of the report may determine and notify that the report is a protected communication, the final determination is made by ICAC.

3.3.1 Reporting to City of Darwin

To make a voluntary PC via City of Darwin, or seek information regarding the process, public officers can contact the CEO, or a City of Darwin nominated recipient.

Nominated recipients can receive voluntary PCs and refer them to ICAC. They can also provide guidance to public officers about making PCs.

City of Darwin nominated recipients can only receive PCs relating to City of Darwin. Reports about public officers or issues in other organisations must be made directly to ICAC or to a nominated recipient from the relevant organisation.

City of Darwin’s nominated recipients’ details are listed on the Intranet, City of Darwin website and in staff induction documents.

Initial discussions with nominated recipients are confidential. Nominated recipients will assess and advise whether a mandatory report is required.

3.3.2 Reporting timeframes

The requirement and time frame for reporting improper conduct to ICAC varies depending on the type of information being reported and whether the person reporting is a public officer or prescribed public officer.



Officer status	Information type	Report to	Reporting time frame
Public officer	<ul style="list-style-type: none"> Suspected corrupt conduct Suspected anti-democratic conduct 	ICAC (mandatory)	As soon as practicable after forming a suspicion
Public officer	<ul style="list-style-type: none"> Suspected misconduct Suspected unsatisfactory conduct 	ICAC (voluntary) City of Darwin (voluntary)	At any time after a suspicion has been formed
Public officer	Other information of value to ICAC	ICAC (voluntary) City of Darwin (voluntary)	At any time
Prescribed public officer (Nominated recipients/CEO)	<ul style="list-style-type: none"> Suspected corrupt conduct Suspected anti-democratic conduct 	ICAC (mandatory)	As soon as practicable after forming a suspicion
Prescribed public officer (Nominated recipients/CEO)	<ul style="list-style-type: none"> Suspected misconduct Suspected unsatisfactory conduct 	ICAC (mandatory)	Within 4 weeks of the conduct coming to their attention
Prescribed public officer (Nominated recipients/CEO)	Other information that may assist ICAC	ICAC (voluntary)	At any time

While there is no mandatory requirement for public officers to report misconduct and unsatisfactory conduct to ICAC, City of Darwin strongly encourages all public officers to make a report to ICAC for any suspected improper conduct matters to ensure that mandatory reporting requirements are reliably met.

In addition to mandatory requirements for reporting to ICAC under the ICAC Act, Elected Members and City of Darwin staff may also have reporting requirements under the applicable City of Darwin Code of Conduct. A report to ICAC does not meet these requirements and public officers are required to consider



where a report should also be made to City of Darwin in line with complaint and grievance processes or via a prescribed public officer.

3.3.3 After reporting

After ICAC or the nominated recipient confirms the matter will be treated as a protected communication, the person who made the report is considered a protected person and continues to receive protections under the ICAC Act.

Written confirmation of receipt and information regarding the process will be provided to the public officer by the recipient where possible.

ICAC will assess reports received via City of Darwin and may require the public officer to:

- answer questions or provide further information
- provide documents or items as evidence
- provide a statutory declaration to verify information, documents and/or items.

Depending on the nature of the report, ICAC may:

- investigate the matter
- refer the matter to another entity for investigation
- refer the matter back to the originating organisation for investigation under ICAC’s supervision.

3.3.4 Confidentiality for protected persons

Protected persons should keep their report and its contents confidential. It is not an offence to disclose that a report has been made, except where directed by ICAC. However, public officers are responsible for taking reasonable steps to ensure their own safety and must consider how disclosing the information, and to whom, may affect them, others, and/or the outcome of any investigation.

If the person reporting the suspected misconduct chooses to voluntarily disclose the circumstances of the protected communications to other people or parties, City of Darwin may no longer be able to protect the whistleblower in line with section 3.8 of this procedure.

Any confidential information received from ICAC in the course of an investigation must be kept confidential.

Nominated recipients and ICAC cannot disclose the details of the person making the report, except in certain situations, in accordance with section 146A of the ICAC Act.



3.4 Applying for a declaration of protected communication from ICAC

A person who has taken some action involving an allegation of misconduct may apply to ICAC for the action to be declared a protected communication.

3.5 False or misleading reports

ICAC will not action reports that are found to be false or misleading. Knowingly reporting false or misleading information to ICAC is a criminal offence and may result in action being taken against the person who made the report.

False or misleading information can include:

- information that is untrue or incorrect
- opinions or unconfirmed details that are reported as facts
- partial information, where important details have been left out to give a false impression.

If, at any point, a protected person becomes aware that any information they have reported is untrue or incorrect, they must clarify or correct the information as soon as practicable.

3.6 Receiving a protected communication (prescribed public officer)

When a purported protected communication is received, the recipient must document the communication and conduct a written assessment of the information to decide:

- if the report relates to a reasonable suspicion of any form of improper conduct
- if the report relates to another issue of public administration that requires further action
- if the information indicates that the protected person may be at risk of retaliation
- if the information suggests an imminent risk of physical harm to any person.

The recipient must include their opinions on the points above in the written assessment.

All reports of suspected improper conduct or information of value to ICAC received by prescribed public officers should be treated as PCs unless the recipient forms a belief, supported by reliable evidence, that:

- the report is false or misleading
- the information contained in the report does not relate to suspected improper conduct or other information of value to ICAC.

If the report is to be treated as a PC, the recipient must issue a Protected Communication Notice to the protected person as soon as practicable.



Where the recipient believes that the report is false or misleading, or does not relate to suspected improper conduct or information of value to ICAC, they must report this belief to ICAC or the CEO.

3.7 Dealing with a protected communication (prescribed public officer)

Depending on the outcome of their assessment, the recipient may decide:

- that a mandatory report must be made to ICAC directly by the public officer, where the PC relates to corrupt or anti-democratic conduct
- to address voluntary PCs through an informal resolution process, if authorised and where appropriate
- to refer the matter to another person or entity
- that no further action is required.

Once a decision is reached, the recipient must:

- document the decision and reason/s for choosing the specific course of action
- complete any required referral, stating that the information was provided as a protected communication
- advise the person making the report of the chosen course of action and reasons for the course of action in writing as soon as practicable.

Where information from a report has been referred to another person or entity, the written advice to the protected person must include the following details:

- that the matter has been referred
- to whom it was referred
- contact details for the person or entity to which the referral was made
- whether the protected person's identity was disclosed with the referral.

Once completed, the prescribed public officers makes written record of the following details:

- the referral date
- to whom the referral was made
- the information provided in the referral
- whether the protected person's identity was disclosed
- when and how the protected person was advised of the referral
- what information was provided by the entity or person to whom the referral was made.

3.7.1 Confidentiality for nominated recipients

The identity of a protected person should be kept confidential, and inquiries should be made without disclosing the person's identity.

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If the nominated recipient must disclose information about the identity of a protected person as part of an investigation, they must:

- inform the receiver that the information relates to the identity of a protected person
- advise the protected person that information about their identity has been disclosed, and to whom
- keep a written record of the identifying information disclosed, when, to whom and for what purpose.

3.8 Whistleblower protections

There are a number of protections provided for protected persons under Part 6 of the ICAC Act, including protection from retaliation.

Retaliation is the act of harming, or threatening to harm a victim:

- to discourage the victim or third person from taking protected action under the ICAC Act
- to discourage the victim or third person from supporting a protected person under the ICAC Act
- as revenge for protected action taken, or perceived to have been taken by the victim
- as revenge for the victim supporting, or a perception that they have supported a protected person.

Harm includes:

- injury, loss or damage
- intimidation or harassment
- discrimination, disadvantage, mistreatment and/or arbitrary disciplinary action in the workplace.

Retaliation is an offence under the ICAC Act and is a form of improper conduct. City of Darwin is required to report alleged or suspected retaliation to ICAC.

3.8.1 Risk assessment and monitoring by prescribed public officers

Prescribed public officers (CEO and nominated recipients) are required to undertake and document a risk assessment for each PC they receive, to assess the likelihood of retaliation against the protected person and impacts to any other people.

The factors that are considered, include but are not limited to:

- the work environment and type of work being undertaken
- the seriousness of the protected communication
- workplace culture and any previous conduct
- risks unique to the circumstances.

The risk of retaliation may be higher where:

- the report is about a senior officer

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- the matter is not widely known
- the report involves multiple alleged perpetrators
- the conduct is serious, systemic, or sensitive.

The prescribed public officer will develop a plan to manage risks identified in each assessment. Where a risk of retaliation is identified, the protected person will be notified as soon as possible.

3.8.2 Reporting retaliation

If a protected person experiences or fears retaliation, they should report this to a nominated recipient, the CEO or to ICAC directly. Steps will be taken to reduce the risk of further retaliation.

3.8.3 Dealing with allegations of retaliation

The recipient of a report about retaliation must keep a record of:

- the date the report was received
- details of alleged perpetrator(s)
- the nature of the alleged conduct.

A person who can bring a fair, independent and objective mind to the task will be identified and tasked to assess the report, in context, noting that not all adverse action is retaliation. Reasonable management of a staff member, for example, would not be retaliation.

The initial assessment should include enough detail to decide:

- if further investigation is needed
- what action, if any, should be taken
- whether strategies are needed to support the alleged victim and prevent further retaliation.

Where it has been established that retaliation has occurred, and if a public officer has engaged in retaliation then:

- a report must be made to ICAC by the prescribed public officer dealing with the matter
- City of Darwin must take all reasonable steps, in consultation with the victim to provide a work safe work environment and prevent further retaliation.
- support will be provided to the victim, including access to specialised support and counselling
- regular communications will be scheduled with the victim to monitor their wellbeing and reduce the risk of further retaliation
- the prescribed officer will keep detailed records of all action taken by City of Darwin.

The type of action taken by City of Darwin will depend on the outcome of the investigation and may include:



- a request or instruction to the person to stop the conduct
- informal counselling to raise awareness of the impact of the conduct on others
- formal counselling or training
- a written warning
- an intervention to change the workplace culture.

If a person experiences or fears retaliation, City of Darwin provides support including, but not limited to:

- referral to professional support services, such as City of Darwin’s Employee Assistance Program
- customising employment arrangements for the protected person
- facilitation of conciliation of interpersonal problems in the workplace.

3.9 Record keeping and document security

City of Darwin must maintain records including:

- all communication with the protected person
- the retaliation risk assessment
- the retaliation minimisation action plan
- reports or allegations of retaliation
- the written assessment of reports or allegations of retaliation
- actions taken to address incidents of retaliation.

Nominated recipients must keep all records associated with protected communications as follows:

- hard copy records must be kept in locked cabinets accessible only by the nominated recipient/s and CEO
- access controls for must be maintained for electronic documents to only allow access to the nominated recipient/s and the CEO.

3.10 General Powers of ICAC

An authorised officer of the ICAC may enter and remain on premises (which includes a vehicle) occupied or used by City of Darwin staff or elected members for official duties at any time for the purposes of performing functions under the ICAC Act. This does not include residential premises unless the residence is considered a workplace (e.g. due to approved working from home arrangements).

An authorised officer of the ICAC may enter and remain on any other premises if the officer believes on reasonable grounds that there is anything that may be evidence of improper conduct on the premises. This power may only be exercised with the consent of the owner or occupier of the premises or with the authority of a search warrant.

An authorised officer who lawfully enters premises may exercise one or more of the following powers:

- search the premises and examine anything on the premises (opening a thing by force if necessary)

Version:	Decision Number:	Adoption Date:	Next Review Date:
DRAFT X	XXXXX	Select date.	Select date.
Responsible Officer: Enter name			



- take photographs and make audio and video recordings of anything on the premises
- operate equipment or facilities on the premises
- seize anything found on the premises that the authorised officer believes on reasonable grounds may be evidence of improper conduct and retain it for as long as may be necessary
- issue a retention notice requiring that a thing which has been seized not to be moved or interfered with without the approval of an authorised officer; or the authorised officer may secure that thing against interference.

If the authorised officer issues a retention notice, it must be complied with as it is an offence to intentionally breach this notice.

Additionally, while on the premises the authorised officer may require a person to do any of the following:

- state their full name, date of birth and provide contact details
- produce evidence of identity
- answer (orally or in writing) questions asked by the authorised officer
- produce a thing the authorised officer believes on reasonable grounds is connected with improper conduct
- operate equipment or facilities on the premises
- give the authorised officer any translation, code, password or other information necessary to gain access to, or interpret and understand, anything located or obtained by the officer in the course of exercising the authorised officer's functions
- give other assistance the authorised officer reasonably requires.

Finally, an authorised officer may give directions to the person in charge of a vehicle or vessel in relation to the stopping or movement of the vehicle or vessel.

If an authorised officer requires any of these things, a person must comply with that requirement to the extent they are able to do so and, if asked a question, to answer it to the best of their knowledge, information and belief. Failing to comply with such a requirement is an offence.

For the performance of the ICAC's functions under the ICAC Act, an authorised officer may, at any time, require City of Darwin staff or Elected Members to:

- answer specified questions or provide specified information
- produce specified items, or items of a specified kind, in City of Darwin's or an individual's possession or control.

In doing so, the authorised officer must inform City of Darwin or the individual person whether they are under investigation by the ICAC.

The authorised officer may require City of Darwin or the individual person to verify any information or items provided in accordance with such requests by statutory declaration.

Independent Commissioner Against Corruption (ICAC) - 0096.100.ER

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Responsible Officer: Enter name			

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4 Definitions

CEO means the Chief Executive Officer of the City of Darwin.

ICAC means the Independent Commissioner Against Corruption.

ICAC Act means the Independent Commissioner Against Corruption Act 2017.

Improper conduct means improper conduct as defined in section 9 of the ICAC Act.

Nominated recipient means the person(s) appointed by the CEO and notified to ICAC from time to time to receive voluntary reports of suspected Improper Conduct within City of Darwin.

Protected action means any action that is taken in the course of, or for the purpose of, complying with the ICAC Act or cooperating with a person or body performing functions under the ICAC Act.

Protected communication means information in a report of suspected Improper Conduct made by an individual to ICAC or another entity set out in s 93(1)(b) of the ICAC Act that is made in accordance with the requirements in s 93 of the ICAC Act, or that has been declared by ICAC to be a protected communication.

Protected Communication Notice means the notice at Annexure B as updated from time to time.

Protected Person means a person making a protected communication.

Voluntary protected communication means a protected communication made otherwise than in compliance with the mandatory requirement to report suspected Improper Conduct (for example, where an individual decides to refer suspected Improper Conduct to the CEO or a nominated recipient of the City of Darwin rather than directly to the ICAC).

5 Legislative references

Independent Commissioner Against Corruption Act 2017 (NT)

Mandatory Reporting Directions and Guidelines for Public Officers

Guidelines for the minimisation of retaliation against protected persons

6 Procedures / related documents

n/a

Independent Commissioner Against Corruption (ICAC) - 0096.100.ER

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Responsible Officer: Enter name			

Electronic version current. Uncontrolled copy valid only at time of printing.



7 Responsibility/application

The General Manager Corporate is responsible for the implementation and review of this procedure.

All City of Darwin workplace participants are responsible for adhering to this procedure.

This document will be reviewed every four years or as required.

8 Document control

Title			Responsible officer:	
Version	Decision number	Adoption date	History	Next review date
1				
2				
3				



Annexure A Definitions of types of improper conduct

1. Corrupt conduct

Corrupt conduct is defined in section 10 of the ICAC Act. Corrupt conduct can arise in one of five different ways.

- 1.1 Conduct is corrupt conduct if it is conduct engaged in by a public officer or a public body:
 - (a) that constitutes an offence with a maximum penalty of at least two years (with or without a fine); and
 - (b) that is connected to public affairs.
- 1.2 Conduct is also corrupt conduct if it is engaged in by a public officer:
 - (a) that constitutes reasonable grounds for dismissing or terminating the services of the public officer; and
 - (b) that is connected to public affairs; and
 - (c) that involves or results in any of the following:
 - (i) dishonesty;
 - (ii) failure to manage adequately an actual or perceived conflict of interest;
 - (iii) a breach of public trust;
 - (iv) the illegal, unauthorised or otherwise inappropriate performance of official functions;
 - (v) inappropriate conduct in relation to official information;
 - (vi) an adverse effect on the honest, impartial or effective performance of official functions by any public officer or public body or group of public officers or public bodies.
- 1.3 Conduct is also corrupt conduct if it is engaged in by a public body, a minister, a member of the Legislative Assembly or a local councillor:
 - (a) that is connected to public affairs; and



- (b) that involves a serious breach of public trust by the public body, minister, member of the Legislative Assembly or councillor.

1.4 Conduct is also corrupt conduct if it is engaged in by a person (whether or not a public officer or public body) that could impair public confidence in public administration and that involves any of the following:

- (a) collusive tendering;
- (b) intentionally or recklessly providing false or misleading information in relation to an application for a licence, permit or other authority under an Act;
- (c) misappropriating or misusing public resources;
- (d) assisting in, or dishonestly benefitting from, the misappropriation or misuse of public resources;
- (e) dishonestly obtaining or retaining employment or appointment as a public officer.

1.5 Conduct is also corrupt conduct if it is engaged in by a person (whether or not a public officer or public body) that constitutes:

- (a) an offence against Part IV, Division 1 to 5 of the Criminal Code (offences against the administration of law and justice and against public authority); or
- (b) an offence relating to the making of a false declaration or statement (sections 118 and 119 of the Criminal Code); or
- (c) an offence against section 10(5)(c) of the ICAC Act.

2. Anti-democratic conduct

Anti-democratic conduct is defined in section 15 of the ICAC Act.

Anti-democratic conduct is conduct engaged in by a person or body (whether or not a public officer or public body) that:

- (a) constitutes an offence against the Electoral Act 2004, Chapter 8 of the Local Government Act 2019 or Chapter 8 of the Local Government Act 2008 (before its repeal); and
- (b) affects, or is part of a course of conduct aimed at affecting:
 - (i) the behaviour of the community or multiple members of the community in relation to voting in elections; or



- (ii) the reputation, power or influence, or resources of a political party or a candidate for election; or
- (iii) the ability of the public to ascertain the resources and associated entities of a political party or the resources of a candidate for an election; or
- (iv) the Electoral Commissioner's ability to detect and investigate contraventions of the Electoral Act 2004 or Chapter 8 of the Local Government Act 2019 and generally to ensure compliance with those Acts.

3. Misconduct

Misconduct is defined in section 11 of the ICAC Act.

Misconduct can arise in one of three different ways.

3.1 Conduct is misconduct if it is engaged in by a public officer or public body:

- (a) that constitutes an offence for which the maximum penalty is a fine and/or imprisonment for less than 2 years; and
- (b) that is connected to public affairs.

3.2 Conduct is also misconduct if it is conduct engaged in by a public officer (other than a judicial officer):

- (a) that constitutes reasonable grounds for taking disciplinary action against the officer (short of dismissal or termination of appointment) or varying the terms of the officer's appointment; and
- (b) that is connected to public affairs; and
- (c) that involves or results in any of the following:
 - (i) dishonesty;
 - (ii) failure to manage adequately an actual or perceived conflict of interest;
 - (iii) a breach of public trust;
 - (iv) the illegal, unauthorised or otherwise inappropriate performance of official functions;
 - (v) inappropriate conduct in relation to official information;



- (vi) an adverse effect on the honest, impartial or effective performance of official functions by any public officer or public body or group of public officers or public bodies.
- 3.3 Conduct is also misconduct if it is conduct engaged in by a judicial officer, the Director of Public Prosecutions, a public body, a minister, a member of the Legislative Assembly or a local councillor:
- (a) that is connected to public affairs; and
 - (b) that involves:
 - (i) for a judicial officer or the Director of Public Prosecutions – a breach of public trust; or
 - (ii) for a public body, minister, member of the Legislative Assembly or councillor – a breach of public trust not amounting to a serious breach of public trust

4. Unsatisfactory conduct

Unsatisfactory conduct is defined in section 12 of the ICAC Act.

Conduct is unsatisfactory conduct if it is conduct engaged in by a public officer or public body:

- (a) that involves illegality, impropriety, negligence or incompetence; and
- (b) is connected to public affairs; and
- (c) results in:
 - (i) substantial mismanagement of public resources; or
 - (ii) the inappropriate or significantly inefficient use of public resources; or
 - (iii) substantial mismanagement in relation to the performance of official functions; or
 - (iv) substantial detriment to the public interest.

For the purpose of the definition of unsatisfactory conduct, the word incompetence is defined in the ICAC Act as follows:

- conduct that would not be engaged in by a reasonable public officer or public body:
- (i) having the skills and knowledge reasonably expected of a person or body with the role of the public officer or public body; and



- (ii) having taken appropriate steps to obtain adequate resources, information and advice; but

does not include conduct:

- (iii) i. that is less than best practice; or
- (iv) ii. that is a matter of policy about which reasonable public officers or public bodies may disagree.

Unsatisfactory conduct does not include any conduct engaged in by a judicial officer in the performance of judicial functions.

DRAFT

6.5 MONTHLY FINANCIAL REPORTS: MAY - AUGUST 2024

Author: Executive Manager Finance

Authoriser: General Manager Corporate

Attachments:

1. Monthly Financial Report_May 2024 [↓](#)
2. Interim Monthly Financial Report_June 2024 [↓](#)
3. Interim Monthly Financial Report_July 2024 [↓](#)
4. Interim Monthly Financial Report_August 2024 [↓](#)

RECOMMENDATIONS

1. THAT the report entitled Monthly Financial Reports: May - August 2024 be received and noted.

PURPOSE

The purpose of this report is to provide the Monthly Financial Reports to the Risk Management and Audit Committee as requested at the meeting held 17 June 2022.

KEY ISSUES

- At the Risk Management and Audit Committee meeting held 17 June 2022, Council Officers committed to provide to the RMAC Committee the Monthly Financial Reports, as tabled at Ordinary Council.
- Monthly Financial Reports for the months of May 2024 (**Attachment 1**) June 2024 (**Attachment 2**), July 2024 (**Attachment 3**) and August 2024 (**Attachment 4**) are provided.
- Monthly Financial Reports have now been included in the RMAC Report Schedule on an ongoing basis.

DISCUSSION

The Monthly Financial Reports are presented to Council at the 2nd Ordinary Council meeting following the period reports relate to and provide a summary and discussion of the financial position of Council for each period. If a Council meeting is not held in a month the report is circulated to Elected Members and placed on Councils website.

Summary of key results the period May - August 2024

- Interim reports to June 2024 are at a point in time, and now superseded by the year end 2024 Financial Statements presented at this RMAC meeting.
- August YTD 2024 Operating surplus of \$3.02M against budgeted YTD surplus of \$2.3M; a favourable variance of \$0.68M.
- The favourable operational variance is a result of a positive surplus in income of \$1.6M partially offset by increase in operational expenses of \$0.96M. The increase in income and expenses relate substantially to operations at Shoal Bay Waste Management Facility.
- Capital expenditure of \$2.02M against YTD budget of \$9.5; YTD variance relates to timing of Civic Centre & Parking Redevelopment project.
- Cash and Investments balance of \$123M; \$33.4M restricted reserve cash and \$37.2M placed against variable loan offsets. Noting restricted reserve cash balances are interim pending the adoption of the adjusted 2023/24 end of year Reserve Balances.
- Balance sheet is provisional pending finalisation of the 2023 Financial Statements.

PREVIOUS COUNCIL RESOLUTION

N/A

STRATEGIC PLAN ALIGNMENT	6 Governance Framework 6.4 Accountability
BUDGET / FINANCIAL / RESOURCE IMPLICATIONS	Budget/Funding: N/A
LEGISLATION / POLICY CONTROLS OR IMPACTS	Legislation: N/A Policy: N/A
CONSULTATION, ENGAGEMENT & COMMUNICATION	Engagement Level: Inform Tactics: Monthly Financial Reports are provided to Council at the 2 nd Ordinary Council meeting for the proceeding period. Monthly Financial Reports are in the Open Agenda for public disclosure.
DECLARATION OF INTEREST	The report author does not have a conflict of interest in relation to this matter. The report authoriser does not have a conflict of interest in relation to this matter.

	If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).
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15 RECEIVE & NOTE REPORTS**15.1 MONTHLY FINANCIAL REPORT - MAY 2024****Author:** Executive Manager Finance**Authoriser:** General Manager Corporate**Attachments:** 1. Monthly Finance Report - May 2024 [↓](#)**RECOMMENDATIONS**

THAT the report entitled Monthly Financial Report – May 2024 be received and noted.

PURPOSE

The purpose of this report is to provide a summary of the financial position of Council for the period ended 31 May 2024.

Further, this report and the contents are required to be presented to Council in compliance with the *Local Government (General) Regulations 2021*.

KEY ISSUES

The Monthly Financial Report includes:

- Income Statement, which compares actual YTD income and expenditure against YTD budget.
- Fund Flow Statement (Monthly Operating Position), which outlines the effect on General Funds.
- Statement of Financial Position (Balance Sheet), which outlines what Council owns (assets) and what it owes (liabilities) at a point in time.
- Notes to the Balance Sheet, this includes further details on the Cash Balance, Trade Debtors, Trade Creditors, and a statement on Council's current payment and reporting obligations.
- Investments, which provides details of treasury activities, investments as at month end.
- Rates and Receivables Report which provides a summary of outstanding rates and debtors.
- Procurement Reporting, which is a summary of contract variations and exempt procurement.
- Capital Expenditure and Funding, which compares YTD capital expenditure and funding against YTD budget.

Planned Major Projects Capital Works, provides a high-level financial overview of our major projects at a point in time.

DISCUSSION**May 2024 – Year to Date Result**

The year-to-date operating result until 31 May 2024 is a **deficit of (\$4.3M)** compared to a **YTD Budgeted deficit of (\$14.9M)** as highlighted in the table below.

After including capital income, the **Net Surplus is \$6.6M** against the YTD budgeted **deficit of (\$6.0M)**. This has resulted in a favourable **\$12.6M** variance overall (as shown in the income statement).

	Actual \$'000	Budget \$'000	Variance \$'000
Net Operating Surplus/ (Deficit)	(4,255)	(14,872)	10,617 Favourable

Commentary

The Net Operating Position has a favourable variance to the year-to-date revised budget of \$10.6M. The variance results from higher-than-expected interest on investments, permit income and infringements, lower than budgeted materials and contracts, employee costs, and interest expense, offset by lower than anticipated fees and charges and higher depreciation costs. Please find below additional commentary for the material variances:

Income

Total Operating Income is tracking to generate a small surplus compared to budget.

User Fees & Charges

The unfavourable variance is \$2.0M. This is almost exclusively due to Waste Fees & Charges being under YTD expectations as the volume of material received through Shoal Bay Waste Management Facility (SBWMF) is lower than anticipated. This reduction in revenue is offset by a decrease in waste related expenditure. A budget review has been recommended to adjust for this variance.

Charges

Higher than anticipated permit income and parking infringements has generated a favourable surplus in this category. A budget adjustment for the permit income has been recommended through the budget review process.

Interest / Investment Income

The favourable variance mainly relates to the increase in returns received on investments due to the high Reserve Bank of Australia (RBA) cash rate and higher than anticipated cash held in investments.

Expenditure

Total Expenses are under budget by \$8.9M. This is due to underspends in Materials & Contracts \$6.4M, Employee Expenses of \$2.7M, and interest on borrowings \$1.4M. This is partially offset by depreciation being higher than budget by \$1.7M.

Materials & Contracts

Materials and Contracts expenses has an annual budget of \$61.9M and this incorporates various expenditure types. Combined, this budget line is under budget with a variance of \$6.4M. \$3.4M of this variance relates to Waste Management and the operation of SBWMF. This saving

is partially offset by a reduction in fees and charges for SBWMF. There is an offsetting budget adjustment recommended to amend this variance. Other underspends are across several budget areas. Some of these areas will have continued expenditure throughout the month of June 2024 which may reduce the variance. These areas include; Building Maintenance, Parks and Reserves, Roads Maintenance, Smart Cities, electricity savings in public lighting, and the postponement of some events such as Freedom of Entry have also contributed to this variance.

Employee Expenses

Employee costs report a positive variance to budget of \$2.7M. This variance is offset in part by increases in contract and other labour sources and the variance will further reduce when leave provisioning is adjusted at year end.

Depreciation and Amortisation

Depreciation is over budget by \$1.7M, this is a non-cash expense and a budget adjustment has been recommended to amend the budget.

Interest Expenses

Interest expenses show a positive variance (\$1.5M) due to loan offsets been utilised against the variable loans and timing of the draw down for loan SBWMF Stage 2 Expansion, Phase 1.

Statement of Fund Flows

The variances are related to a mismatch in the timing of projects and budget profiles, and the reasons described above under operating statement commentary. Purchase of Infrastructure, Property, Plant & Equipment variance relates to timing of capital projects.

Cash and Investments Note A

City of Darwin has achieved 5.00% on weighted average interest rate on its end of month cash and investment portfolio of \$86.4M (excluding loan offset \$37.5M). There have been no investment policy breaches in this month.

The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

Treasury Comment

The RBA met on 18 June 2024 and the board decided to leave the cash rate unchanged at 4.35%. The RBA commented "Inflation is easing but has been doing so more slowly than previously expected and it remains high. The Board expects that it will be some time yet before inflation is sustainably in the target range. While recent data have been mixed, they have reinforced the need to remain vigilant to upside risks to inflation. The path of interest rates that will best ensure that inflation returns to target in a reasonable timeframe remains uncertain and the Board is not ruling anything in or out."

Accounts Receivable (Trade Debtors) Note B

This section considers the receipt timing of Rates collection and any general Debtors outstanding. The report also includes information on aged debtors including general debtors, infringements, and Rates arrears.

Accounts Payable (Trade Creditors) Note C

Accounts Payable owing at end of month was \$3.7M at the time of reporting. City of Darwin recognises the liability of invoices once goods are receipted as received.

Other notes to the financial reports

The Council has met its payment and reporting obligations for GST, Fringe Benefits Tax, PAYG withholding tax, superannuation, and insurance for the month.

Our internal accounting conventions for monthly reporting currently recognise the Council Rates that are attributable to that month and then progressively throughout the year.

Please note that these reports are unaudited management financial reports. Information contained in the reports was current as at the date of the reports and may not reflect any event or circumstances which occurred after the date the reports were completed.

Procurement Reporting

Under the Local Government (General) Regulations, Council is required to disclose at the next Council meeting and on the City of Darwin website:

- contract variations:
 - where a tender was not required, however the total cost exceeds \$100,000, or
 - where a contract requiring a tender is varied by 10%.
- exempt procurement greater than \$100,000

Contract Variations

There were no reportable contract variations for May 2024.

Exempt Procurement

There was no reportable exempt procurement for May 2024.

Certification by the CEO to the Council

That, to the best of the CEO's knowledge, information and belief:

- (1) The internal controls implemented by the council are appropriate; and
- (2) The council's financial report best reflects the financial affairs of the council.

S. Saunders

CEO Signed

19/06/2024

PREVIOUS COUNCIL RESOLUTION

N/A

STRATEGIC PLAN ALIGNMENT

6 Governance Framework
6.3 Decision Making and Management

BUDGET / FINANCIAL / RESOURCE IMPLICATIONS

N/A

LEGISLATION / POLICY CONTROLS OR IMPACTS

Part 2 Division 7 the *Local Government (General) Regulations 2021* require that a monthly financial report is presented to Council each month setting out:

- (a) the actual income and expenditure of the council for the period from the commencement of the financial year up to the end of the previous month; and
- (b) the most recently adopted annual budget; and
- (c) details of any material variances between the most recent actual income and expenditure of the council and the most recently adopted annual budget.

Ordinary Council Meeting Agenda

25 June 2024

	<p>Regulation 17(5) Part 2 Division 7 the Local Government (General) Regulations 2021 require that the monthly report must be accompanied by:</p> <ul style="list-style-type: none"> (a) a certification, in writing, by the CEO to the council that, to the best of the CEO's knowledge, information and belief: <ul style="list-style-type: none"> (i) the internal controls implemented by the council are appropriate; and (ii) the council's financial report best reflects the financial affairs of the council; or (b) if the CEO cannot provide the certification – written reasons for not providing the certification. <p>The report is compliant with the requirements of the Local Government Act 2019 and Local Government (General) Regulations 2021.</p>
CONSULTATION, ENGAGEMENT & COMMUNICATION	N/A
DECLARATION OF INTEREST	<p>The report author does not have a conflict of interest in relation to this matter.</p> <p>The report authoriser does not have a conflict of interest in relation to this matter.</p> <p>If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).</p>

Income Statement For the Period Ended 31 May 2024	2023/24							
	May-24						FY	FY
	YTD Actual		YTD Revised Budget		Variance	Revised Budget	Original Budget	
	\$'000		\$'000		\$'000	\$'000	\$'000	
<u>Operating Income</u>								
Rates	77,898	69%	77,480	70%	417	84,524	84,524	
Charges	3,215	3%	2,355	2%	860	2,333	2,338	
Fees and Charges	23,537	21%	25,508	23%	(1,970)	27,075	29,532	
Operating Grants and Subsidies	2,423	2%	2,121	2%	302	2,140	6,116	
Interest / Investment Income	4,705	4%	2,845	3%	1,860	3,104	3,104	
Other Income	1,276	1%	1,044	1%	232	2,151	2,151	
Total Income	113,054		111,353		1,700	121,327	127,765	
<u>Operating Expenses</u>								
Employee Expenses	33,999	29%	36,729	29%	2,730	40,014	40,560	
Materials and Contracts	50,444	43%	56,800	45%	6,355	61,891	61,477	
Elected Member Allowances	594	1%	636	1%	42	795	795	
Elected Member Expenses	0	0%	39	0%	39	44	64	
Council Committee & LA Allowances	7	0%	9	0%	2	10	10	
Depreciation, Amortisation & Impairment	31,427	27%	29,722	24%	(1,704)	32,425	32,425	
Interest Expenses	838	1%	2,290	2%	1,452	3,448	3,948	
Total Expenses	117,309		126,225		8,916	138,627	139,279	
Budgeted Operating Surplus/ (Deficit)	(4,255)		(14,872)		10,617	(17,300)	(11,514)	
Capital Grants Income	10,835		8,834		2,001	11,350	952	
Net Surplus/(Deficit)	6,580		(6,037)		12,617	(5,950)	(10,562)	

Statement of Fund Flows Monthly Operating Position For the Period Ended 31 May 2024	2023/24				
	May-24			FY	FY
	YTD Actual \$'000	YTD Revised Budget \$'000	Variance \$'000	Revised Budget \$'000	Original Budget \$'000
<u>Funds From Operating Activities</u>					
Net Operating Result from Income Statement	(4,255)	(14,872)	10,617	(17,300)	(11,514)
Add back depreciation (not cash)	31,427	29,722	1,704	32,425	32,425
Add back Other Non Cash Items	0	0	0	1,029	904
Net Funds Provided (or used in) Operating Activities	27,171	14,851	12,321	16,154	21,815
<u>Less Additional Outflows</u>					
Repayment of borrowings & advances	(5,089)	(5,089)	0	(5,260)	(5,614)
Purchase of Infrastructure, Property, Plant & Equipment	(31,263)	(50,847)	19,584	(55,493)	(19,020)
Total Additional Outflows	(36,352)	(55,936)	19,584	(60,753)	(24,634)
<u>Add Additional Inflows</u>					
Add Capital Grants	10,835	8,834	2,001	11,350	952
Sale of Infrastructure, Property, Plant & Equipment	80	460	(380)	500	500
Proceeds from borrowings & advances	0	6,000	(6,000)	6,000	0
Transfers from Reserves	13,459	25,790	(12,331)	25,690	1,367
Transfer from Unrestricted Cash	0	0	0	1,060	0
Total Additional Inflows	24,374	41,084	(16,711)	44,600	2,819
Net Increase (-Decrease) in Funds	15,193	(0)	15,193	(0)	0

Statement of Financial Position
as at 31 May 2024

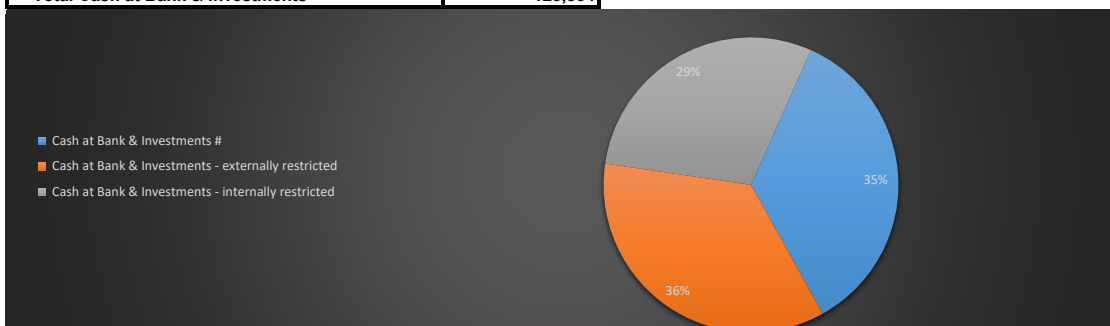
Statement of Financial Position as at 31 May 2024	2023/24			
	May-24		FY	FY
	Actual \$'000	Note	Revised Budget \$'000	Original Budget \$'000
Current Assets				
Cash at Bank & Investments	43,667	A	17,751	18,811
Cash at Bank & Investments - externally restricted	43,821	A	39,326	39,080
Cash at Bank & Investments - internally restricted	36,346	A	28,498	39,172
Trade & Other Receivables	3,676	B	11,759	11,759
Rates & Charges Receivables	5,675	B	0	0
Inventories	277		300	300
Total Current Assets	133,462		97,634	109,122
Non-Current Assets				
Infrastructure, Property, Plant and Equipment	1,248,750		1,276,724	1,267,733
Lease Right of Use Assets	3,170		0	0
Total Non Current Assets	1,251,920		1,276,724	1,267,733
Total Assets	1,385,382		1,374,358	1,376,855
Current Liabilities				
Trade Payables & Other Payables	3,576	C	18,286	18,286
Accruals	6,348		0	0
ATO & Payroll Liabilities	84	D	0	0
Rates Revenue struck (in advance)	7,063		0	0
Borrowings	1,643		5,451	5,451
Provisions	7,077		7,689	7,689
Lease Liabilities	922		888	888
Total Current Liabilities	26,711		32,314	32,314
Non-Current Liabilities				
Trade & Other Payables	0		0	0
Borrowings	56,875		62,314	55,960
Provisions	54,401		52,738	52,738
Lease Liabilities	2,411		1,254	1,254
Total Non Current Liabilities	113,687		116,306	109,952
Total Liabilities	140,399		148,620	142,266
NET ASSETS	1,244,983		1,225,738	1,234,589
Equity				
Accumulated Surplus	306,587		295,786	294,209
Asset Revaluation Reserve	858,228		862,128	862,128
Other Reserves	80,167		67,824	78,252
TOTAL EQUITY	1,244,983		1,225,738	1,234,589

Monthly Balance Sheet Report (Notes to the Balance Sheet) as at 31 May 2024

Note A. Details of Cash and Investments Held

Investments Report attached, which provides details of treasury activities, investments as at the end of the Month. City of Darwin has achieved 3.4% on weighted average interest rate on its May 2024 cash and investment portfolio of \$123.9M (including \$37.5M Variable Loans Surplus/Offset). There have been no investment policy breaches in this month. The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

Cash at Bank & Investments	\$'000
Cash at Bank & Investments #	43,667
Cash at Bank & Investments - externally restricted	43,821
Cash at Bank & Investments - internally restricted	36,346
Total Cash at Bank & Investments	123,834



Cash at Bank & Investments includes Cash on Call of \$37.5M

Note B. Statement of Trade Debtors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total *
Rates & Charges Debtors	\$ -	\$0	\$0	\$5,674,890	\$5,674,890
Other Trade Receivables and Other Receivables	\$ 2,039,768	\$1,279,102	\$157,343	\$199,723	\$3,675,937
Total Trade and Other Receivables	\$ 2,039,768	\$1,279,102	\$157,343	\$5,874,614	\$ 9,350,826

Note C. Statement on Trade Creditors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total*
General Trade Creditors	-\$3,272,043	-\$54,404	\$0	-\$6,059	-\$3,575,849
ATO & Payroll Liabilities	-\$83,705	\$0	\$0	\$0	-\$83,705
Total Trade and Other Payables	-\$3,355,748	-\$54,404	\$0	-\$6,059	-\$3,659,554

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

The Council has met its payment and reporting obligations for GST, Fringe Benefits Tax, PAYG withholding tax, superannuation, and insurance for the month of May 2024.

* Please note that these reports are unaudited management financial reports. Information contained in the reports were current as at the date of the reports and may not reflect any event or circumstances which occurred after the date the reports were completed.

Table 4. Member and CEO Council Credit Card Transactions for the Month
For the Month Ended 31 May 2024

Cardholder Name: CEO

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
Total	-		

Cardholder Name: Lord Mayor

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
14-May-24	5.00	DARWIN CONVENTION CE DARWIN	Car parking
08-May-24	20.00	Paystay South Wharf AUS	Car parking
Total	25.00		

**INVESTMENTS REPORT TO COUNCIL
AS AT
31 May 2024**

Investment and Cash at Call/Offset Distribution by Term to Maturity

Term to Maturity Policy Limits

There have been no breaches in Term to Maturity Policy limits for the month of May 2024

Term to Maturity Category	% of Total Portfolio	Term to Maturity (Policy Max.)	Term to Maturity (Policy Min.)
Less than 1 Year			
Term Deposits	50%		
Business Online Saver Accounts	8%		
Floating Rate Notes	1%		
General Surplus on Variable Loans	31%		
Bonds	2%		
Less than 1 Year Total	91%	100%	30%
Greater than 1 Year less than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	8%		
Bonds	0%		
Greater than 1 Year less than 3 Years Total	8%	70%	0%
Greater than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	1%		
Bonds	0%		
Greater than 3 Years Total	1%	30%	0%
Greater than 5 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	0%		
Greater than 5 Years Total	0%	10%	0%
Total	100%		

Investment Distribution by Portfolio Credit Rating

Portfolio Distribution Credit Rating Limits

There have been no breaches in Portfolio Credit Rating Limits for the month of May 2024

Credit Rating - Maximum Individual Limit	ADI	Counterparty	% of Total Portfolio	Individual Counterparty Limits of Total Investments
AA-	Commonwealth Bank of Australia Ltd	Commonwealth Bank of Australia Ltd	25%	50%
	National Australia Bank Ltd	National Australia Bank Ltd	26%	50%
	Westpac Banking Corporation Ltd	Westpac Banking Corporation Ltd	28%	50%
	Northern Territory Treasury Corporation	Northern Territory Treasury Corporation	2%	50%
A+	Macquarie Bank	Macquarie Bank	1%	30%
	Suncorp Metway Limited	Suncorp Bank	5%	30%
A-	Bank of Queensland Ltd	Bank of Queensland Ltd	6%	10%
BBB+	Bank Australia Limited	Bank Australia Limited	2%	10%
	Members Banking Group Limited t/as RACQ Bank	Members Banking Group Limited t/as RACQ Bank	1%	10%
BBB	Great Southern Bank	Great Southern Bank	3%	10%
Grand Total			100%	
Credit Rating - Maximum Portfolio Limit			% of Total	Policy Limit
AAA to AA-			79%	100%
A+ to A-			6%	45%
BBB+ to BBB			15%	30%
BBB-			0%	0%
Total			100%	

INVESTMENT AND CASH AT CALL/OFFSET REPORT TO COUNCIL
AS AT
31 May 2024

									FRN ONLY			
Instrument	Institution Category	Counterparty	Maturity Date	Interest Rate	Credit Rating (ST)	Credit Rating (LT)	Inv Type	(Maturity Date - last pmt)	Principal \$	% Portfolio		
INVESTMENT	MAJOR BANK	ANZ Banking Group Ltd	28 June 2024	5.40%	AA-	A1+	FRN	31 March 2028	\$500,000	0.42%		
		ANZ Banking Group Ltd Total								\$500,000	0.42%	
		Commonwealth Bank of Australia Ltd	13 August 2024	5.09%	AA-	A1+	TD		\$2,000,000	1.68%		
		18 June 2024	5.06%	AA-	A1+	TD		\$2,000,000	1.68%			
		12 November 2024	5.43%	AA-	A1+	TD		\$3,000,000	2.51%			
		18 August 2024	4.24%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0.84%			
		18 August 2024	5.18%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0.84%			
		12 July 2024	5.25%	AA-	A1+	FRN	13 January 2026	\$2,000,000	1.68%			
		31 May 2024	4.35%	AA-	A1+	BOS		\$7,478,896	6.27%			
		Commonwealth Bank of Australia Ltd Total								\$18,478,896	15.49%	
		National Australia Bank Ltd	25 June 2024	5.34%	AA-	A1+	TD		\$2,000,000	1.68%		
			25 June 2024	5.50%	AA-	A1+	TD		\$3,142,715	2.63%		
			13 August 2024	5.10%	AA-	A1+	TD		\$5,000,000	4.19%		
			17 September 2024	5.15%	AA-	A1+	TD		\$2,000,000	1.68%		
			17 September 2024	5.22%	AA-	A1+	TD		\$3,000,000	2.51%		
		National Australia Bank Ltd Total								\$15,142,715	12.69%	
		Westpac Banking Corporation Ltd	3 December 2024	1.62%	AA-	A1+	TD		\$2,000,000	1.68%		
			11 June 2024	5.03%	AA-	A1+	TD		\$2,000,000	1.68%		
			10 September 2024	5.20%	AA-	A1+	TD		\$2,000,000	1.68%		
			22 October 2024	5.19%	AA-	A1+	TD		\$3,000,000	2.51%		
			24 September 2024	5.15%	AA-	A1+	TD		\$2,087,445	1.75%		
			12 November 2024	5.42%	AA-	A1+	TD		\$3,000,000	2.51%		
			28 January 2025	5.11%	AA-	A1+	TD		\$3,000,000	2.51%		
			22 April 2025	5.11%	AA-	A1+	TD		\$2,000,000	1.68%		
			13 May 2025	5.40%	AA-	A1+	TD		\$3,000,000	2.51%		
		Westpac Banking Corporation Ltd Total								\$22,087,445	18.51%	
			Northern Territory Treasury Corporation (NTTC)	15 December 2024	1.30%	AA-	A1+	BOND		\$2,000,000	1.68%	
		Northern Territory Treasury Corporation (NTTC) Total								\$2,000,000	1.68%	
		MAJOR BANK Total								\$58,209,056	48.78%	
		OTHER	Bank of Queensland Ltd	10 December 2024	5.15%	A-	A2	TD		\$4,000,000	3.35%	
				23 October 2024	5.10%	A-	A2	TD		\$3,000,000	2.51%	
			Bank of Queensland Ltd Total								\$7,000,000	5.87%
			Macquarie Bank	12 August 2024	5.26%	A+	A1	FRN	12 February 2025	\$1,000,000	0.84%	
			Macquarie Bank Total								\$1,000,000	0.84%
			Suncorp Bank	19 November 2024	5.19%	A+	A1	TD		\$2,000,000	1.68%	
				19 November 2024	5.49%	A+	A1	TD		\$3,000,000	2.51%	
				17 July 2024	5.23%	A+	A1	FRN	17 October 2025	\$1,000,000	0.84%	
			Suncorp Bank Total								\$6,000,000	5.03%
			Bank Australia Limited	26 August 2024	5.94%	BBB+	A2	FRN	24 November 2025	\$2,000,000	1.68%	
			Bank Australia Limited Total								\$2,000,000	1.68%
			Members Banking Group Limited t/as RACQ Bank	26 August 2024	5.84%	BBB+	A2	FRN	24 February 2026	\$1,600,000	1.34%	
			Members Banking Group Limited t/as RACQ Bank Total								\$1,600,000	1.34%
			Great Southern Bank	8 April 2025	5.20%	BBB	A2	TD		\$4,000,000	3.35%	
			Great Southern Bank Total								\$4,000,000	3.35%
			Maitland Mutual Bank Ltd	12 August 2024	6.04%	BBB	A2	FRN	10 May 2027	\$2,000,000	1.68%	
			Maitland Mutual Bank Ltd Total								\$2,000,000	1.68%
			OTHER Total								\$23,600,000	19.78%
INVESTMENT Total										\$81,809,056	68.56%	
VARIABLE LOAN SURPLUS	MAJOR BANK	Commonwealth Bank of Australia Ltd	31 May 2024	0.00%	AA-	A1+	General Surplus - C		\$10,000,000	8.38%		
		Commonwealth Bank of Australia Ltd Total								\$10,000,000	8.38%	
		National Australia Bank Ltd	31 May 2024	0.00%	AA-	A1+	General Surplus - I		\$14,750,000	12.36%		
		National Australia Bank Ltd Total								\$14,750,000	12.36%	
		Westpac Banking Corporation Ltd	31 May 2024	0.00%	AA-	A1+	General Surplus - I		\$12,771,705	10.70%		
		Westpac Banking Corporation Ltd Total								\$12,771,705	10.70%	
		MAJOR BANK Total								\$37,521,705	31.44%	
VARIABLE LOAN SURPLUS Total									\$37,521,705	31.44%		
Grand Total									\$119,330,761	100%		

N.B.
*INV TYPE - FRN = interest rate is the 'Coupon Margin' established on issue date, this plus 3M BBSW provides the yield for the current coupon period.
*MATURITY DATE - FRN = the interest coupon payment date not actual FRN maturity date (paid every 91 days).

CBA General Bank Funds	\$3,404,304
NAB General Bank Funds	\$834,667
WBC General Bank Funds	\$341,203
Total Funds	\$123,910,836
Less Variable Loans Offset (Cash on Call)	-\$37,521,705
Total Investment & Cash (less offset)	\$86,389,230
Total Budgeted Investment Earnings	\$2,464,000
Year to Date Investment Earnings	\$3,813,951
Weighted Ave Rate	3.43%
Weighted Ave Rate (excluding Cash on Call)	5.00%
BBSW 90 Day Rate	4.35%
Bloomberg AusBond (Bank Bill Index)	

Trust Bank Account	\$456,989
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**Report on Planned Major Capital Works
For The Period Ended 30 May 2024**

Class of Assets	By Major Capital Project	Total Prior Year(s) Actuals \$ (A)	YTD Actuals \$ (B)	Total Actuals \$ (C = A + B)	Total Planned Budget \$ (D)	Total Yet to Spend \$ (E = D - C)	Expected Project Completion Date
Buildings	Casuarina Aquatic & Leisure Centre	9,254,074	17,368,691	26,622,765	27,233,111	610,346	31/08/2024
Waste Management Infrastructure	Shoal Bay - Stage 2 Expansion	23,796	240,366	264,162	12,000,000	11,735,838	31/10/2024
Waste Management Infrastructure	Leachate Irrigation System - Shoal Bay (CF)	15,788,400	288,784	16,077,184	16,142,591	65,407	30/06/2023
Waste Management Infrastructure	SBWMF - Stage 3 & 4 Final Cap Design & Construction (CF)	14,970,430	257,266	15,227,696	15,268,962	41,266	30/09/2023
Waste Management Infrastructure	Shoal Bay - Leachate Ponds	7,362,783	466,198	7,828,981	7,828,980	(1)	30/09/2023
TOTAL		47,399,482	18,621,305	66,020,788	78,473,644	12,452,856	

Capital Expenditure For The Period Ended 30 May 2024	2023/24			
	YTD Actuals	YTD Revised Budget	YTD Variance	FY Revised Budget Current Financial Year Budget
	\$	\$	\$	\$
TOTAL CAPITAL EXPENDITURE BY ASSET CLASS:				
Capital Work In Progress				
Land - Under Roads	0	0	0	0
Land and Buildings:				
Land and Improvements	0	0	0	0
Buildings	18,161,717	17,971,377	(190,340)	19,382,732
Infrastructure:				
Stormwater Drainage	2,052,620	2,523,416	470,796	2,669,253
Transport	5,057,625	6,773,634	1,716,009	7,108,395
Pathways	867,954	1,583,598	715,644	1,724,435
Public Lighting	558,283	1,503,469	945,186	2,523,702
Waste Management Infrastructure	1,371,430	7,483,211	6,111,781	7,506,548
Waste Remediation	0	0	0	0
Right Of Use Assets (Leases):				
Leased Land and Buildings	0	0	0	0
Other Leased Assets	0	0	0	0
Plant & Equipment, including Fleet	1,089,525	8,453,164	7,363,639	9,274,019
Parks & Reserves Infrastructure	1,889,980	4,512,805	2,622,825	5,248,631
Other Assets	214,173	42,447	(171,726)	55,784
TOTAL CAPITAL EXPENDITURE	31,263,307	50,847,121	19,583,814	55,493,499
TOTAL CAPITAL EXPENDITURE FUNDED BY*:				
Operating Income	9,632,795	15,571,290	5,938,495	17,431,338
Capital Grants	8,913,531	9,687,381	773,850	11,351,162
Transfer from Reserves	2,238,114	10,391,013	8,152,899	11,513,562
Borrowings	10,478,867	15,197,437	4,718,570	15,197,437
TOTAL CAPITAL EXPENDITURE FUNDING	31,263,307	50,847,121	19,583,814	55,493,499

*YTD Funding of expenditure is assumed to be consumed in line with YTD Capital Expenditure

15 RECEIVE & NOTE REPORTS**15.1 INTERIM MONTHLY FINANCIAL REPORT - JUNE 2024****Author:** Executive Manager Finance**Authoriser:** General Manager Corporate**Attachments:** 1. Interim Monthly Finance Report - June 2024 [↓](#)**RECOMMENDATIONS**

THAT the report entitled Interim Monthly Finance Report – June 2024 be received and noted.

PURPOSE

The purpose of this report is to provide a summary of the interim financial position of Council for the period ended 30 June 2024.

Further, this report and the contents are required to be presented to Council in compliance with the *Local Government (General) Regulations 2021*.

KEY ISSUES

The Monthly Financial Report includes:

- Provisional Income Statement, which compares actual YTD income and expenditure against YTD budget.
- Provisional Fund Flow Statement (Monthly Operating Position), which outlines the effect on General Funds.
- Provisional Statement of Financial Position (Balance Sheet), which outlines what Council owns (assets) and what it owes (liabilities) at a point in time.
- Provisional Notes to the Balance Sheet, this includes further details on the Cash Balance, Trade Debtors, Trade Creditors, and a statement on Council's current payment and reporting obligations.
- Investments, which provides details of treasury activities, investments as at month end.
- Rates and Receivables Report which provides a summary of outstanding rates and debtors.
- Procurement Reporting, which is a summary of contract variations and exempt procurement.
- Provisional Capital Expenditure and Funding, which compares YTD capital expenditure and funding against YTD budget.
- Provisional Planned Major Projects Capital Works, provides a high-level financial overview of our major projects at a point in time.

DISCUSSION**June 2024 – Interim Year to Date Result**

The year-to-date operating result until 30 June 2024 is a **deficit of (\$5.1M)** compared to a **Budgeted deficit of (\$18.4M)** as highlighted in the table below.

After including capital income, the **Net Surplus is \$6.1M** against the budgeted **deficit of (\$6.4M)**.

This has resulted in a favourable **\$12.5M** variance overall (as shown in the income statement).

	Actual	Budget	Variance
	\$'000	\$'000	\$'000
Operating Surplus/ (Deficit)	(5,055)	(18,406)	13,351 Favourable

Commentary

The Monthly Financial report for June is presented with interim numbers pending finalisation of end of financial year processing. The Net Operating Position has a favourable variance to the revised budget of \$13.4M. The variance results from higher than expected interest on investments, permit income and infringements, lower than budgeted materials and contracts, employee costs and interest expense. Please find below additional commentary for the material variances.

Income

Total Operating Income results in a positive surplus of \$3.6M compared to budget. Charges are higher than anticipated for permit income and parking infringements and has generated a surplus in this category. Interest/Investment Income is also resulting in a favourable variance which mainly relates to the increase in returns received this FY on investments, with high Reserve Bank of Australia (RBA) cash rate and higher than anticipated cash held in investments throughout the year.

Expenditure

Total Expenses are under budget by \$9.7M. Materials & Contracts is currently 94% expended with a variance of \$3.6M, noting end of year accruals are not year finalised. Employee Expenses have an underspend of \$3.2M, this is offset in part by increases in contract and other labour sources and should decrease in part with end of year employee provision adjustments yet to occur. Interest Expenses savings of \$2.6M with loan offsets utilised against the variable loans. Interest expense variance will reduce with the end of year unwinding discount of the waste provisions.

Statement of Fund Flows

The variances are related to a mismatch in the timing of projects and budget profiles, and the reasons described above under operating statement commentary. Purchase of Infrastructure, Property, Plant & Equipment variance relates to timing of capital projects with some projects to span financial years as carry forwards. Proceeds from borrowings variance relates to the timing of external loan drawdown for Shoal Bay Waste Management Facility Stage 2 Expansion Phase 1, with borrowings scheduled to be executed in 2024/25.

Cash and Investments Note A

City of Darwin has achieved 4.97% on weighted average interest rate on its end of month cash and investment portfolio of \$72.7M (excluding loan offset \$37.5M). There have been no investment policy breaches in this month.

The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

As at the end of June 2024 City of Darwin portfolio remains highly liquid for operational purposes with the majority of assets maturing under 12 month and well diversified across the investment grade spectrum (all are rated BBB or higher). City of Darwin held \$17.1M in environment, socially responsible or 'green' assets, approximately equating to 15% of the total investment portfolio.

Treasury Comment

The RBA met on 18 June 2024 and the Board decided to leave the cash rate on hold at 4.35%. The Board reiterated that all options are still on the table in its fight against inflation. The RBA minutes commented that "...the extent of uncertainty at present meant it was difficult either to rule in or rule out future changes in the cash rate target" and "returning inflation to target remains the Board's highest priority and it will do what is necessary to achieve that outcome".

Accounts Receivable (Trade Debtors) Note B

This section considers the receipt timing of Rates collection and any general Debtors outstanding. The report also includes information on aged debtors including general debtors, infringements, and Rates arrears.

Accounts Payable (Trade Creditors) Note C

Accounts Payable owing at end of month was \$7.3M at the time of reporting. City of Darwin recognises the liability of invoices once goods are receipted as received.

Procurement Reporting

Under the Local Government (General) Regulations, Council is required to disclose at the next Council meeting and on the City of Darwin website:

- contract variations:
 - where a tender was not required, however the total cost exceeds \$100,000, or
 - where a contract requiring a tender is varied by 10%.
- exempt procurement greater than \$100,000

Contract Variations

There were no reportable contract variations for June 2024.

Exempt Procurement

Vendor	Supply	Cost	Applicable Exemption
Civica	Authority Licence	\$318,863.81	Reg 38(1)(d) Renewal of an existing licence
NTEX Pty Ltd	Removal of tyres for processing	\$374,000	Reg 38(1)(j) Major disruption
Phillip Price	Kinetic Sculpture	\$535,000	Reg 38(1)(h) Only one supplier available

Certification by the CEO to the Council

That, to the best of the CEO's knowledge, information and belief:

- (1) The internal controls implemented by the council are appropriate; and
- (2) The council's financial report best reflects the financial affairs of the council.

S.Saunders

CEO Signed

23/07/2024

PREVIOUS COUNCIL RESOLUTION

N/A

**STRATEGIC PLAN
ALIGNMENT**

6 Governance Framework
6.3 Decision Making and Management

**BUDGET /
FINANCIAL /
RESOURCE
IMPLICATIONS**

N/A

**LEGISLATION /
POLICY CONTROLS
OR IMPACTS**

Part 2 Division 7 the *Local Government (General) Regulations 2021* require that a monthly financial report is presented to Council each month setting out:

- (a) the actual income and expenditure of the council for the period from the commencement of the financial year up to the end of the previous month; and
- (b) the most recently adopted annual budget; and
- (c) details of any material variances between the most recent actual income and expenditure of the council and the most recently adopted annual budget.

Regulation 17(5) Part 2 Division 7 the *Local Government (General) Regulations 2021* require that the monthly report must be accompanied by:

- (a) a certification, in writing, by the CEO to the council that, to the best of the CEO's knowledge, information and belief:
 - (i) the internal controls implemented by the council are appropriate; and
 - (ii) the council's financial report best reflects the financial affairs of the council; or
- (b) if the CEO cannot provide the certification – written reasons for not providing the certification.

The report is compliant with the requirements of the *Local Government Act 2019* and *Local Government (General) Regulations 2021*.

CONSULTATION, ENGAGEMENT & COMMUNICATION	N/A
DECLARATION OF INTEREST	<p>The report author does not have a conflict of interest in relation to this matter.</p> <p>The report authoriser does not have a conflict of interest in relation to this matter.</p> <p>If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).</p>

Income Statement For the Period Ended 30 June 2024	2023/24						
	Jun-24					FY	FY
	YTD Actual		YTD Revised Budget		Variance	Revised Budget	Original Budget
	\$'000		\$'000		\$'000	\$'000	\$'000
<u>Operating Income</u>							
Rates	84,936	69%	84,524	71%	412	84,524	84,524
Charges	3,567	3%	2,721	2%	846	2,721	2,338
Fees and Charges	25,851	21%	25,075	21%	776	25,075	29,532
Operating Grants and Subsidies	2,501	2%	2,142	2%	359	2,142	6,116
Interest / Investment Income	5,065	4%	3,104	3%	1,961	3,104	3,104
Other Income	1,434	1%	2,151	2%	(717)	2,151	2,151
Total Income	123,354		119,717		3,637	119,717	127,765
<u>Operating Expenses</u>							
Employee Expenses	36,559	28%	39,754	29%	3,195	39,754	40,560
Materials and Contracts	56,214	44%	59,822	43%	3,608	59,822	61,477
Elected Member Allowances	686	1%	795	1%	109	795	795
Elected Member Expenses	0	0%	44	0%	44	44	64
Council Committee & LA Allowances	14	0%	10	0%	(4)	10	10
Depreciation, Amortisation & Impairment	34,110	27%	34,250	25%	140	34,250	32,425
Interest Expenses	826	1%	3,448	2%	2,621	3,448	3,948
Total Expenses	128,410		138,123		9,713	138,123	139,279
Budgeted Operating Surplus/ (Deficit)	(5,055)		(18,406)		13,351	(18,406)	(11,514)
Capital Grants Income	11,160		12,041		(880)	12,041	952
Net Surplus/(Deficit)	6,105		(6,365)		12,470	(6,365)	(10,562)

Statement of Fund Flows Monthly Operating Position For the Period Ended 30 June 2024	2023/24				
	Jun-24			FY	FY
	YTD Actual \$'000	YTD Revised Budget \$'000	Variance \$'000	Revised Budget \$'000	Original Budget \$'000
<u>Funds From Operating Activities</u>					
Net Operating Result from Income Statement	(5,055)	(18,406)	13,351	(18,406)	(11,514)
Add back depreciation (not cash)	34,110	34,250	(140)	34,250	32,425
Add back Other Non Cash Items	0	1,029	(1,029)	1,029	904
Net Funds Provided (or used in) Operating Activities	29,054	16,873	12,181	16,873	21,815
<u>Less Additional Outflows</u>					
Repayment of borrowings & advances	(4,987)	(5,260)	273	(5,260)	(5,614)
Purchase of Infrastructure, Property, Plant & Equipment	(34,555)	(55,753)	21,197	(55,753)	(19,020)
Total Additional Outflows	(39,542)	(61,013)	21,471	(61,013)	(24,634)
<u>Add Additional Inflows</u>					
Add Capital Grants	11,160	12,041	(880)	12,041	952
Sale of Infrastructure, Property, Plant & Equipment	80	500	(420)	500	500
Proceeds from borrowings & advances	0	6,000	(6,000)	6,000	0
Transfers from Reserves	14,395	24,539	(10,144)	24,539	1,367
Transfer from Unrestricted Cash	0	1,060	(1,060)	1,060	0
Total Additional Inflows	25,635	44,140	(18,505)	44,140	2,819
Net Increase (-Decrease) in Funds	15,147	0	15,147	0	0

Statement of Financial Position
as at 30 June 2024

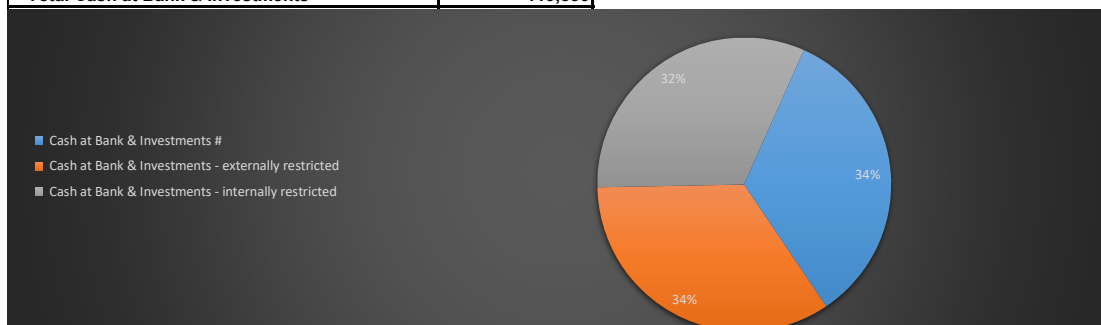
Statement of Financial Position as at 30 June 2024	2023/24			
	Jun-24 Actual \$'000	Note	FY Revised Budget \$'000	FY Original Budget \$'000
Current Assets				
Cash at Bank & Investments	40,605	A	17,751	18,811
Cash at Bank & Investments - externally restricted	40,907	A	39,326	39,080
Cash at Bank & Investments - internally restricted	38,325	A	29,649	39,172
Trade & Other Receivables	4,957	B	11,759	11,759
Rates & Charges Receivables	4,261	B	0	0
Inventories	265		300	300
Total Current Assets	129,319		98,785	109,122
Non-Current Assets				
Infrastructure, Property, Plant and Equipment	1,249,359		1,276,724	1,267,733
Lease Right of Use Assets	3,170		0	0
Total Non Current Assets	1,252,529		1,276,724	1,267,733
Total Assets	1,381,847		1,375,509	1,376,855
Current Liabilities				
Trade Payables & Other Payables	7,250	C	18,286	18,286
Accruals	8,395		0	0
ATO & Payroll Liabilities	76	D	0	0
Rates Revenue struck (in advance)	0		0	0
Borrowings	13,097		5,451	5,451
Provisions	7,080		7,689	7,689
Lease Liabilities	922		888	888
Total Current Liabilities	36,820		32,314	32,314
Non-Current Liabilities				
Trade & Other Payables	0		0	0
Borrowings	44,647		62,314	55,960
Provisions	54,401		52,738	52,738
Lease Liabilities	2,411		1,254	1,254
Total Non Current Liabilities	101,459		116,306	109,952
Total Liabilities	138,279		148,620	142,266
NET ASSETS	1,243,568		1,226,889	1,234,589
Equity				
Accumulated Surplus	306,108		295,786	294,209
Asset Revaluation Reserve	858,228		862,128	862,128
Other Reserves	79,231		68,975	78,252
TOTAL EQUITY	1,243,568		1,226,889	1,234,589

Monthly Balance Sheet Report (Notes to the Balance Sheet) as at 30 June 2024

Note A. Details of Cash and Investments Held

Investments Report attached, which provides details of treasury activities, investments as at the end of the Month. City of Darwin has achieved 3.28% on weighted average interest rate on its June 2024 cash and investment portfolio of \$119.7M (including \$37.5M Variable Loans Surplus/Offset). There have been no investment policy breaches in this month. The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

Cash at Bank & Investments	\$'000
Cash at Bank & Investments #	40,605
Cash at Bank & Investments - externally restricted	40,907
Cash at Bank & Investments - internally restricted	38,325
Total Cash at Bank & Investments	119,836



Cash at Bank & Investments includes Cash on Call of \$37.5M

Note B. Statement of Trade Debtors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total *
Rates & Charges Debtors	\$ -	\$0	\$0	\$4,260,894	\$4,260,894
Other Trade Receivables and Other Receivables	\$ 2,117,131	\$1,647,130	\$372,908	\$819,627	\$4,956,795
Total Trade and Other Receivables	\$ 2,117,131	\$1,647,130	\$372,908	\$5,080,521	\$ 9,217,689

Note C. Statement on Trade Creditors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total*
General Trade Creditors	-\$7,239,383	-\$4,176	-\$2,520	-\$4,082	-\$7,250,161
ATO & Payroll Liabilities	-\$76,129	\$0	\$0	\$0	-\$76,129
Other Trade Payables & Other Payables	-\$8,394,836	\$0	\$0	\$0	-\$8,394,836
Total Trade and Other Payables	-\$15,710,348	-\$4,176	-\$2,520	-\$4,082	-\$15,721,126

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

The Council has met its payment and reporting obligations for GST, Fringe Benefits Tax, PAYG withholding tax, superannuation, and insurance for the month of June 2024.

* Please note that these reports are unaudited management financial reports. Information contained in the reports were current as at the date of the reports and may not reflect any event or circumstances which occurred after the date the reports were completed.

**Table 4. Member and CEO Council Credit Card Transactions for the Month
For the Month Ended 30 June 2024**

Cardholder Name: CEO

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
12-Jun-24	17.19	KOPI EMPIRE PTY LTD DARWIN CITY	Meeting
10-Jun-24	11.57	Greenhouse Nightcliff Nightcliff NT	Meeting
10-Jun-24	23.17	UBER *TRIP Sydney AUS	Travel
5-Jun-24	4.12	International transaction fee	Travel
5-Jun-24	164.80	GRAND KONAK RESTAURANT N/A SGP ##0624 147.68 SINGAPORE DOLLAR	Travel
5-Jun-24	0.50	International transaction fee	Travel
5-Jun-24	20.18	COMFORT/CITYCAB TAXI Singapore ##0624 18.08 SINGAPORE DOLLAR	Travel
30-May-24	5.00	DARWIN CONVENTION CE DARWIN	Parking
Total	246.53		

Cardholder Name: Lord Mayor

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
14-Jun-24	10.17	SMP*Cafe 21 The Mall Darwin City AUS	Meeting
11-Jun-24	4.00	BGHotels Darwin NT	Disputed Transaction
7-Jun-24	20.00	Paystay South Wharf AUS	Parking
6-Jun-24	0.48	International transaction fee	Travel
6-Jun-24	19.03	THE COFFEE BEAN-T3TS SINGAPORE SG ##0624 17.00 SINGAPORE DOLLAR	Travel
5-Jun-24	4.43	International transaction fee	Travel
5-Jun-24	177.20	PAN PACIFIC SINGAPORE SINGAPORE SG ##0624 158.29 SINGAPORE DOLLAR	Travel
5-Jun-24	0.40	International transaction fee	Travel
5-Jun-24	16.07	PAN PACIFIC SINGAPORE SINGAPORE SG ##0624 14.40 SINGAPORE DOLLAR	Travel
4-Jun-24	0.84	International transaction fee	Travel
4-Jun-24	33.56	SBTB SATAY C5 SINGAPORE SG ##0624 30.00 SINGAPORE DOLLAR	Travel
4-Jun-24	0.52	International transaction fee	Travel
4-Jun-24	20.66	COMFORT/CITYCAB TAXI Singapore ##0624 18.47 SINGAPORE DOLLAR	Travel
3-Jun-24	35.49	ZLR*North Common Eaton AUS	Travel
28-May-24	20.00	Paystay South Wharf AUS	Parking
Total	362.85		

**INVESTMENTS REPORT TO COUNCIL
AS AT
30 June 2024**

Investment and Cash at Call/Offset Distribution by Term to Maturity

Term to Maturity Policy Limits
There have been no breaches in Term to Maturity Policy limits for the month of June 2024

Term to Maturity Category	% of Total Portfolio	Term to Maturity (Policy Max.)	Term to Maturity (Policy Min.)
Less than 1 Year			
Term Deposits	46%		
Business Online Saver Accounts	7%		
Floating Rate Notes	1%		
General Surplus on Variable Loans	34%		
Bonds	2%		
Less than 1 Year Total	90%	100%	30%
Greater than 1 Year less than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	9%		
Bonds	0%		
Greater than 1 Year less than 3 Years Total	9%	70%	0%
Greater than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	1%		
Bonds	0%		
Greater than 3 Years Total	1%	30%	0%
Greater than 5 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	0%		
Greater than 5 Years Total	0%	10%	0%
Total	100%		

Investment Distribution by Portfolio Credit Rating

Portfolio Distribution Credit Rating Limits
There have been no breaches in Portfolio Credit Rating Limits for the month of June 2024

Credit Rating - Maximum Individual Limit	ADI	Counterparty	% of Total Portfolio	Individual Counterparty Limits of Total Investments
AA-	Commonwealth Bank of Australia Ltd	Commonwealth Bank of Australia Ltd	24%	50%
	National Australia Bank Ltd	National Australia Bank Ltd	22%	50%
	Westpac Banking Corporation Ltd	Westpac Banking Corporation Ltd	30%	50%
	ANZ Banking Group Ltd	ANZ Banking Group Ltd	1%	50%
	Northern Territory Treasury Corporation	Northern Territory Treasury Corporation	2%	50%
A+	Macquarie Bank	Macquarie Bank	1%	30%
	Suncorp Metway Limited	Suncorp Bank	5%	30%
A-	Bank of Queensland Ltd	Bank of Queensland Ltd	6%	30%
BBB+	Bank Australia Limited	Bank Australia Limited	2%	10%
	Members Banking Group Limited t/as RACQ Bank	Members Banking Group Limited t/as RACQ Bank	1%	10%
BBB	Great Southern Bank	Great Southern Bank	4%	10%
	Maitland Mutual Bank Ltd	Maitland Mutual Bank Ltd	2%	10%
Grand Total			100%	
Credit Rating - Maximum Portfolio Limit			% of Total	Policy Limit
AAA to AA-			79%	100%
A+ to A-			13%	45%
BBB+ to BBB			9%	30%
BBB-			0%	0%
Total			100%	

INVESTMENT AND CASH AT CALL/OFFSET REPORT TO COUNCIL
AS AT
30 June 2024

Instrument	Institution Category	Counterparty	Maturity Date	Interest Rate	Credit Rating (LT)	Credit Rating (ST)	Inv Type	FRN ONLY (Maturity Date - last pmt)	Principal \$	% Portfolio
INVESTMENT	MAJOR BANK	ANZ Banking Group Ltd	26 September 2024	5.40%	AA-	A1+	FRN	31 March 2028	\$500,000	0.45%
		ANZ Banking Group Ltd Total							\$500,000	0.45%
		Commonwealth Bank of Australia Ltd	13 August 2024	5.09%	AA-	A1+	TD		\$2,000,000	1.81%
			12 November 2024	5.43%	AA-	A1+	TD		\$3,000,000	2.72%
			18 August 2024	4.24%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0.91%
			18 August 2024	5.18%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0.91%
			12 July 2024	5.25%	AA-	A1+	FRN	13 January 2026	\$2,000,000	1.81%
			30 June 2024	4.35%	AA-	A1+	BOS		\$7,505,451	6.81%
		Commonwealth Bank of Australia Ltd Total							\$16,505,451	14.98%
		National Australia Bank Ltd	13 August 2024	5.10%	AA-	A1+	TD		\$5,000,000	4.54%
			17 September 2024	5.15%	AA-	A1+	TD		\$2,000,000	1.81%
			17 September 2024	5.22%	AA-	A1+	TD		\$3,000,000	2.72%
		National Australia Bank Ltd Total							\$10,000,000	9.07%
		Westpac Banking Corporation Ltd	3 December 2024	1.62%	AA-	A1+	TD		\$2,000,000	1.81%
			10 September 2024	5.20%	AA-	A1+	TD		\$2,000,000	1.81%
			22 October 2024	5.19%	AA-	A1+	TD		\$3,000,000	2.72%
			24 September 2024	5.15%	AA-	A1+	TD		\$2,087,445	1.89%
			12 November 2024	5.42%	AA-	A1+	TD		\$3,000,000	2.72%
			28 January 2025	5.11%	AA-	A1+	TD		\$3,000,000	2.72%
			22 April 2025	5.11%	AA-	A1+	TD		\$2,000,000	1.81%
			13 May 2025	5.40%	AA-	A1+	TD		\$3,000,000	2.72%
		Westpac Banking Corporation Ltd Total							\$20,087,445	18.23%
		Northern Territory Treasury Corporation (NTTC)	15 December 2024	1.30%	AA-	A1+	BOND		\$2,000,000	1.81%
		Northern Territory Treasury Corporation (NTTC) Total							\$2,000,000	1.81%
	MAJOR BANK Total								\$49,692,896	44.54%
	OTHER	Bank of Queensland Ltd	10 December 2024	5.15%	A-	A2	TD		\$4,000,000	3.63%
			23 October 2024	5.10%	A-	A2	TD		\$3,000,000	2.72%
		Bank of Queensland Ltd Total							\$7,000,000	6.35%
		Macquarie Bank	12 August 2024	5.26%	A+	A1	FRN	12 February 2025	\$1,000,000	0.91%
		Macquarie Bank Total							\$1,000,000	0.91%
		Suncorp Bank	19 November 2024	5.19%	A+	A1	TD		\$2,000,000	1.81%
			19 November 2024	5.40%	A+	A1	TD		\$3,000,000	2.72%
			17 July 2024	5.23%	A+	A1	FRN	17 October 2025	\$1,000,000	0.91%
		Suncorp Bank Total							\$6,000,000	5.44%
		Bank Australia Limited	26 August 2024	5.94%	BBB+	A2	FRN	24 November 2025	\$2,000,000	1.81%
		Bank Australia Limited Total							\$2,000,000	1.81%
		Members Banking Group Limited t/as RACQ Bank	26 August 2024	5.84%	BBB+	A2	FRN	24 February 2026	\$1,600,000	1.45%
		Members Banking Group Limited t/as RACQ Bank Total							\$1,600,000	1.45%
		Great Southern Bank	8 April 2025	5.20%	BBB	A2	TD		\$4,000,000	3.63%
		Great Southern Bank Total							\$4,000,000	3.63%
		Maitland Mutual Bank Ltd	12 August 2024	6.04%	BBB	A2	FRN	10 May 2027	\$2,000,000	1.81%
		Maitland Mutual Bank Ltd Total							\$2,000,000	1.81%
		OTHER Total								\$23,600,000
INVESTMENT Total									\$72,692,896	65.96%
VARIABLE LOAN SURPLUS	MAJOR BANK	Commonwealth Bank of Australia Ltd	30 June 2024	0.00%	AA-	A1+	General Surplus - I		\$10,000,000	9.07%
		Commonwealth Bank of Australia Ltd Total							\$10,000,000	9.07%
		National Australia Bank Ltd	30 June 2024	0.00%	AA-	A1+	General Surplus - I		\$14,750,000	13.38%
		National Australia Bank Ltd Total							\$14,750,000	13.38%
		Westpac Banking Corporation Ltd	30 June 2024	0.00%	AA-	A1+	General Surplus - I		\$12,771,705	11.59%
		Westpac Banking Corporation Ltd Total							\$12,771,705	11.59%
MAJOR BANK Total								\$37,521,705	34.04%	
VARIABLE LOAN SURPLUS Total									\$37,521,705	34.04%
Grand Total									\$110,214,602	100%

N.B.
*INV TYPE - FRN = interest rate is the 'Coupon Margin' established on issue date, this plus 3M BBSW provides the yield for the current coupon period.
*MATURITY DATE - FRN = the interest coupon payment date not actual FRN maturity date (paid every 91 days).

CBA General Bank Funds	\$9,106,543
NAB General Bank Funds	\$220,463
WBC General Bank Funds	\$176,671
Total Funds	\$10,503,677
Less Variable Loans Offset (Cash on Call)	\$37,521,705
Total Investment & Cash (less offset)	\$82,196,573
Total Budgeted Investment Earnings	\$2,464,000
Year to Date Investment Earnings	\$4,103,190
Weighted Ave Rate	3.28%
Weighted Ave Rate (excluding Cash on Call)	4.97%
BBSW 90 Day Rate	4.45%
Bloomberg AusBond (Bank Bill Index)	
Trust Bank Account	\$456,989

**Report on Planned Major Capital Works
For The Period Ended 30 June 2024**

Class of Assets	By Major Capital Project	Total Prior Year(s) Actuals \$ (A)	YTD Actuals \$ (B)	Total Actuals \$ (C = A + B)	Total Planned Budget \$ (D)	Total Yet to Spend \$ (E = D - C)	Expected Project Completion Date
Buildings	Casuarina Aquatic & Leisure Centre	9,254,074	17,970,456	27,224,530	27,233,111	8,581	31/08/2024
Waste Management Infrastructure	Shoal Bay - Stage 2 Expansion	23,796	242,726	266,522	12,000,000	11,733,478	31/10/2024
Waste Management Infrastructure	Leachate Irrigation System - Shoal Bay (CF)	15,788,400	288,784	16,077,184	16,142,591	65,407	30/06/2023
Waste Management Infrastructure	SBWMF - Stage 3 & 4 Final Cap Design & Construction (CF)	14,970,430	257,266	15,227,696	15,268,962	41,266	30/09/2023
Waste Management Infrastructure	Shoal Bay - Leachate Ponds	7,362,783	466,198	7,828,981	7,828,980	(1)	30/09/2023
TOTAL		47,399,482	19,225,431	66,624,913	78,473,644	11,848,731	

Capital Expenditure For The Period Ended 30 June 2024	2023/24			
	YTD Actuals	YTD Revised Budget	YTD Variance	FY Revised Budget Current Financial Year Budget
	\$	\$	\$	\$
TOTAL CAPITAL EXPENDITURE BY ASSET CLASS:				
Capital Work In Progress				
Land - Under Roads	0	0	0	0
Land and Buildings:				
Land and Improvements	0	0	0	0
Buildings	18,819,830	19,511,776	691,946	19,511,776
Infrastructure:				
Stormwater Drainage	2,469,823	2,669,253	199,430	2,669,253
Transport	5,890,382	7,237,055	1,346,673	7,237,055
Pathways	1,307,311	1,558,435	251,124	1,558,435
Public Lighting	752,798	2,759,707	2,006,909	2,759,707
Waste Management Infrastructure	1,384,453	7,557,210	6,172,757	7,557,210
Waste Remediation	0	0	0	0
Right Of Use Assets (Leases):				
Leased Land and Buildings	0	0	0	0
Other Leased Assets	0	0	0	0
Plant & Equipment, including Fleet	1,180,639	9,323,533	8,142,894	9,323,533
Parks & Reserves Infrastructure	2,550,993	4,922,022	2,371,029	4,922,022
Other Assets	198,933	213,620	14,687	213,620
TOTAL CAPITAL EXPENDITURE	34,555,162	55,752,611	21,197,449	55,752,611
TOTAL CAPITAL EXPENDITURE FUNDED BY*:				
Operating Income	12,372,056	16,693,817	4,321,761	16,693,817
Capital Grants	9,137,081	12,005,998	2,868,917	12,005,998
Transfer from Reserves	2,554,135	11,855,359	9,301,224	11,855,359
Borrowings	10,491,890	15,197,437	4,705,547	15,197,437
TOTAL CAPITAL EXPENDITURE FUNDING	34,555,162	55,752,611	21,197,449	55,752,611

*YTD Funding of expenditure is assumed to be consumed in line with YTD Capital Expenditure

15 **RECEIVE & NOTE REPORTS**

15.1 INTERIM MONTHLY FINANCIAL REPORT - JULY 2024

Author: **Executive Manager Finance**
 Acting Executive Manager Corporate and Customer Services

Authoriser: **General Manager Corporate**

Attachments: 1. **Interim Monthly Financial Report - July 2024** [↓](#)

RECOMMENDATIONS

THAT the report entitled Interim Monthly Financial Report – July 2024 be received and noted.

PURPOSE

The purpose of this report is to provide a summary of the interim financial position of Council for the period ended 31 July 2024.

Further, this report and the contents are required to be presented to Council in compliance with the *Local Government (General) Regulations 2021*.

KEY ISSUES

The Monthly Financial Report includes:

- Provisional Income Statement, which compares actual YTD income and expenditure against YTD budget.
- Provisional Fund Flow Statement (Monthly Operating Position), which outlines the effect on General Funds.
- Provisional Statement of Financial Position (Balance Sheet), which outlines what Council owns (assets) and what it owes (liabilities) at a point in time.
- Provisional Notes to the Balance Sheet, this includes further details on the Cash Balance, Trade Debtors, Trade Creditors, and a statement on Council's current payment and reporting obligations.
- Investments, which provides details of treasury activities, investments as at month end.
- Rates and Receivables Report which provides a summary of outstanding rates and debtors.
- Procurement Reporting, which is a summary of contract variations and exempt procurement.
- Provisional Capital Expenditure and Funding, which compares YTD capital expenditure and funding against YTD budget.
- Provisional Planned Major Projects Capital Works, provides a high-level financial overview of our major projects at a point in time.

DISCUSSION**July 2024 – Interim Year to Date Result**

The year-to-date operating result until 31 July 2024 is a **surplus of \$4.41M compared to a Budgeted deficit of (\$3.2M)** as highlighted in the table below.

Including capital income results in a favourable **\$3.1M** variance overall (as shown in the income statement).

	Actual	Budget	Variance
	\$'000	\$'000	\$'000
Operating Surplus/ (Deficit)	4,401	(3,174)	7,574 Favourable

Commentary

The 30 June 2024 Annual Financial Statements Audit is in progress and therefore the Annual Financial Statements are not considered final. Audit and other adjustments will be considered and processed as required, consequently this report is being presented as an abridged monthly financial report.

The Net Operating Position has a favourable variance to the revised budget of \$7.6M. The variance results from operating grants and subsidies and lower than budgeted materials and contracts. Please find below additional commentary for the material variances.

Income**Total Operating Income is tracking above budget by \$5.1M**

Total Operating Income results in a positive surplus of \$5.1M compared to budget. The variance mainly relates to early receipt of the Federal Assistance (FAA) grant, and the budget profile will be adjusted to reflect the early payment in the August report. In addition User Fees & Charges are tracking above expectation for July with higher than anticipated income at Shoal Bay Waste Management Facility (SBWMF).

Expenditure**Total Expenses are under budget by \$2.5M.**

Materials & Contract expenses has an annual budget of \$61.1M and this incorporates various expenditure types. Combined this budget line is under budget by \$2.4M, primarily due to the timing of the budget profile. This is mainly related to budgeted insurance expenses (\$2.3M) which were anticipated in July but are now scheduled to be paid in August. There are other variances within this category which overall have net impact. Interest Expenses also provide a YTD savings of \$0.3M with loan offsets utilised against the variable loans.

Statement of Fund Flows

The variances are related to a mismatch in the timing of projects and budget profiles, and the reasons described above under operating statement commentary. Capital expenditure and Transfers from Reserves relates to timing of capital projects.

Cash and Investments Note A

City of Darwin has achieved 5.01% on weighted average interest rate on its end of month cash and investment portfolio of \$75.7M (excluding loan offset \$37.5M). There have been no investment policy breaches in this month.

The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

Treasury Comment

The RBA met on 5-6 August 2024 and the Board decided to leave the cash rate on hold at 4.35%. The RBA minutes commented that *"..based on the information available at the time of the meeting, it was unlikely that the cash rate target would be reduced in the short term, and that it was not possible to either rule in or rule out future changes in the cash rate target."*

Accounts Receivable (Trade Debtors) Note B

This section considers the receipt timing of Rates collection and any general Debtors outstanding. The report also includes information on aged debtors including general debtors, infringements, and Rates arrears.

Accounts Payable (Trade Creditors) Note C

Accounts Payable owing at end of month was \$6.2M at the time of reporting. City of Darwin recognises the liability of invoices once goods are receipted as received.

June 2024 – Audited General Purpose Financial Statements

The 30 June 2024 Financial Statements Audit is in progress, any audit year-end adjustments are still being considered and processed as required. The monthly financial reports will be issued as interim until the audit is concluded.

Procurement Reporting

Under the Local Government (General) Regulations, Council is required to disclose at the next Council meeting and on the City of Darwin website:

- contract variations:
 - where a tender was not required, however the total cost exceeds \$100,000, or
 - where a contract requiring a tender is varied by 10%.
- exempt procurement greater than \$100,000

Contract Variations

Vendor	Supply	Original Cost	Cost of variation	% Change	Applicable Exemption
Hardy Landscaping NT Pty Ltd	Design and Construct Playgrounds	\$341,301.87	\$75,012.00	21.98%	Reg 42(5)

Exempt Procurement

Vendor	Supply	Cost	Applicable Exemption
Technology One Ltd	Renewal of EDRMS software licence	\$115,507.58	Reg 38(1)(d) Renewal of an existing licence
Local Government Association of the Northern Territory	Annual membership fee 2024/25	\$220,692.98	Reg 38(1)(h) Only one supplier available

Certification by the CEO to the Council

That, to the best of the CEO's knowledge, information and belief:

- (1) The internal controls implemented by the council are appropriate; and
- (2) The council's financial report best reflects the financial affairs of the council.

S.Saunders

CEO Signed

22/08/2024

PREVIOUS COUNCIL RESOLUTION

N/A

**STRATEGIC PLAN
ALIGNMENT**

6 Governance Framework
6.3 Decision Making and Management

**BUDGET /
FINANCIAL /
RESOURCE
IMPLICATIONS**

N/A

**LEGISLATION /
POLICY CONTROLS
OR IMPACTS**

Part 2 Division 7 the *Local Government (General) Regulations 2021* require that a monthly financial report is presented to Council each month setting out:

(a) the actual income and expenditure of the council for the period from the commencement of the financial year up to the end of the previous month; and

(b) the most recently adopted annual budget; and

(c) details of any material variances between the most recent actual income and expenditure of the council and the most recently adopted annual budget.

Regulation 17(5) Part 2 Division 7 the *Local Government (General) Regulations 2021* require that the monthly report must be accompanied by:

- (a) a certification, in writing, by the CEO to the council that, to the best of the CEO's knowledge, information and belief:
 - (i) the internal controls implemented by the council are appropriate; and
 - (ii) the council's financial report best reflects the financial affairs of the council; or
- (b) if the CEO cannot provide the certification – written reasons for not providing the certification.

The report is compliant with the requirements of the *Local Government Act 2019* and *Local Government (General) Regulations 2021*.

**CONSULTATION,
ENGAGEMENT &**

N/A

COMMUNICATION	
DECLARATION OF INTEREST	<p>The report author does not have a conflict of interest in relation to this matter.</p> <p>The report authoriser does not have a conflict of interest in relation to this matter.</p> <p>If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).</p>

Income Statement For the Period Ended 31 July 2024	2024/25					
	Jul-24				FY	
	YTD Actual		YTD Revised Budget		Variance	Original Budget
	\$'000		\$'000		\$'000	\$'000
<u>Operating Income</u>						
Rates & Charges	7,689	49%	7,373	70%	316	88,472
Statutory Charges	353	2%	210	2%	142	2,539
User Fees and Charges	3,108	20%	2,397	23%	711	28,337
Operating Grants and Subsidies	4,053	26%	141	1%	3,912	6,551
Interest / Investment Income	357	2%	293	3%	65	3,513
Commercial & Other Income	94	1%	156	1%	(62)	2,377
Total Income	15,654		10,570		5,084	131,790
<u>Operating Expenses</u>						
Employee Expenses	3,702	33%	3,548	26%	(155)	42,535
Materials, Contracts & Services	4,698	42%	7,115	52%	2,418	61,147
Elected Member Allowances	66	1%	58	0%	(7)	800
Elected Member Expenses	0	0%	1	0%	1	12
Council Committee Allowances	0	0%	1	0%	1	10
Depreciation, Amortisation & Impairment	2,762	25%	2,710	20%	(52)	32,524
Interest Expenses	26	0%	310	2%	284	3,722
Total Expenses	11,253		13,744		2,490	140,751
Budgeted Operating Surplus/ (Deficit)	4,401		(3,174)		7,574	(8,961)
Capital Grants Income	-		42		(42)	3,500
Net Surplus/(Deficit)	4,401		(3,132)		7,533	(5,461)

Statement of Fund Flows Monthly Statement of Operating Position For the Period Ended 31 July 2024	2024/25			
	Jul-24			FY
	YTD Actual	YTD Revised Budget	Variance	Revised Budget
	\$'000	\$'000	\$'000	\$'000
Net Operating Result from Income Statement	4,401	(3,174)	7,574	(8,961)
<u>Add Non Cash Items</u>				
Add back depreciation (not cash)	2,762	2,710	52	32,524
Add back Other Non Cash Items	0	0	0	1,402
Contributed assets (non cash)	0	0	0	0
Total Non Cash Items	2,762	2,710	52	33,926
<u>Less Additional Outflows</u>				
Repayment of borrowings & advances	1,034	1,034	0	(4,422)
Capital Expenditure	(1,001)	(4,657)	3,656	(61,054)
Total Additional Outflows	33	(3,623)	3,656	(65,476)
<u>Add Additional Inflows</u>				
Add Capital Grants	0	42	(42)	3,500
Sale of Infrastructure, Property, Plant & Equipment	2	43	(40)	500
Proceeds from borrowings & advances	0	0	0	0
Transfers from Reserves	(7,111)	4,002	(11,113)	36,511
Total Additional Inflows	(7,109)	4,086	(11,195)	40,511
Net Increase (-Decrease) in Funds	88	0	88	0

Statement of Financial Position
as at 31 July 2024

Statement of Financial Position as at 31 July 2024	2024/25			
	Jul-24 Actual \$'000	Note	FY Revised Budget \$'000	FY Original Budget \$'000
Current Assets				
Cash at Bank & Investments	41,716	A	17,482	17,482
Cash at Bank & Investments - externally restricted	44,805	A	19,753	19,753
Cash at Bank & Investments - internally restricted	28,768	A	11,829	11,829
Trade & Other Receivables	6,226	B	15,770	15,770
Rates & Charges Receivables	91,133	B	0	0
Inventories	283		300	300
Total Current Assets	212,932		65,134	65,134
Non-Current Assets				
Infrastructure, Property, Plant and Equipment	1,251,402		1,293,686	1,293,686
Total Non Current Assets	1,251,402		1,293,686	1,293,686
Total Assets	1,464,333		1,358,819	1,358,819
Current Liabilities				
Trade Payables & Other Payables	3,035	C	21,438	21,438
Accruals	4,455		0	0
ATO & Payroll Liabilities	58	D	0	0
Rates Revenue struck (in advance)	80,864		0	0
Borrowings	12,773		4,974	4,974
Provisions	6,908		7,583	7,583
Lease Liabilities	951		979	979
Total Current Liabilities	109,044		34,974	34,974
Non-Current Liabilities				
Trade & Other Payables	10		0	0
Borrowings	44,994		46,925	46,925
Provisions	59,359		56,784	56,784
Lease Liabilities	1,460		571	571
Total Non Current Liabilities	105,823		104,280	104,280
Total Liabilities	214,867		139,252	139,252
NET ASSETS	1,249,466		1,219,567	1,219,567
Equity				
Accumulated Surplus	313,765		325,857	325,857
Asset Revaluation Reserve	862,128		862,128	862,128
Other Reserves	73,573		31,582	31,582
TOTAL EQUITY	1,249,466		1,219,567	1,219,567

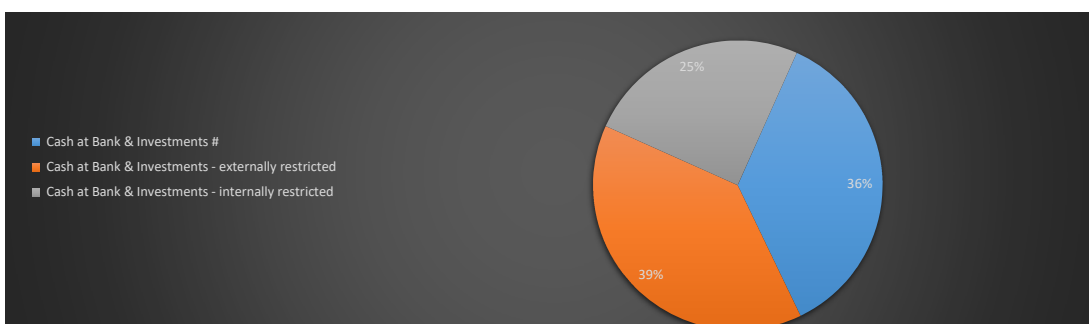
*Please note that these reports are unaudited management financial reports. Information contained in the reports were current as at the date of the reports and may not reflect any event or circumstances which occurred after the reports were completed. The 30 June 2024 Financial Statements Audit is in progress, any year-end adjustments are still being considered and processed as required. The monthly financial reports are issued as interim until the audit is concluded.

Monthly Balance Sheet Report (Notes to the Balance Sheet) as at 31 July 2024

Note A. Details of Cash and Investments Held

Investments Report attached, which provides details of treasury activities, investments as at the end of the Month. City of Darwin has achieved 3.4% on weighted average interest rate on its July 2024 cash and investment portfolio of \$113.2M (including \$37.5M Variable Loans Surplus/Offset). There have been no investment policy breaches in this month. The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

Cash at Bank & Investments	\$'000
Cash at Bank & Investments #	41,716
Cash at Bank & Investments - externally restricted	44,805
Cash at Bank & Investments - internally restricted	28,768
Total Cash at Bank & Investments	115,289



Cash at Bank & Investments includes Cash on Call of \$37.5M

Note B. Statement of Trade Debtors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total *
Rates & Charges Debtors	\$ 85,920,934	\$0	\$0	\$5,212,301	\$91,133,235
Other Trade Receivables and Other Receivables	\$ 3,973,020	\$1,554,957	\$492,884	\$205,517	\$6,226,378
Total Trade and Other Receivables	\$ 89,893,954	\$1,554,957	\$492,884	\$5,417,818	\$ 97,359,613

Note C. Statement on Trade Creditors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total*
General Trade Creditors	-\$2,917,637	-\$103,627	-\$1,045	-\$13,162	-\$3,035,471
ATO & Payroll Liabilities	-\$57,652	\$0	\$0	\$0	-\$57,652
Total Trade and Other Payables	-\$2,975,289	-\$103,627	-\$1,045	-\$13,162	-\$3,093,123

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

The Council has met its payment and reporting obligations for GST, Fringe Benefits Tax, PAYG withholding tax, superannuation, and insurance for the month of July 2024.

* Please note that these reports are unaudited management financial reports. Information contained in the reports were current as at the date of the reports and may not reflect any event or circumstances which occurred after the date the reports were completed.

Table 4. Member and CEO Council Credit Card Transactions for the Month
For the Month Ended 31 July 2024

Cardholder Name: CEO

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
8-Jul-24	47.38	Crowne Plaza Hotel Can Canberra ACT	Travel
8-Jul-24	29.09	GO TAXI PTY LTD ALEXANDRIA AUS	Travel
8-Jul-24	18.90	UBER *TRIP Sydney AUS	Travel
5-Jul-24	18.43	ACT CABS 0261030882 FYSHWICK AUS	Travel
5-Jul-24	3.50	DEPT. OF PARLIAMENTA CANBERRA ACT	Travel
5-Jul-24	4.00	SQ *SUSHI DAILY Canberra AC	Travel
5-Jul-24	11.06	UBER *TRIP Sydney AUS	Travel
4-Jul-24	17.01	UBER *TRIP Sydney AUS	Travel
4-Jul-24	13.86	UBER *TRIP Sydney AUS	Travel
4-Jul-24	15.24	UBER *TRIP Sydney AUS	Travel
3-Jul-24	13.31	UBER *TRIP Sydney AUS	Travel
2-Jul-24	31.68	ACT CABS 0261030882 FYSHWICK AUS	Travel
2-Jul-24	17.86	UBER *TRIP Sydney AUS	Travel
Total	241.32		

Cardholder Name: Lord Mayor

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
22-Jul-24	19.01	UBER *TRIP Sydney AUS	Travel
19-Jul-24	10.28	UBER *TRIP Sydney AUS	Travel
10-Jul-24	16.50	UBER *TRIP Sydney AUS	Travel
10-Jul-24	19.58	UBER *TRIP Sydney AUS	Travel
9-Jul-24	20.00	Paystay South Wharf AUS	Parking
Total	85.37		

**INVESTMENTS REPORT TO COUNCIL
AS AT
31 July 2024**

Investment and Cash at Call/Offset Distribution by Term to Maturity

Term to Maturity Policy Limits
There have been no breaches in Term to Maturity Policy limits for the month of July 2024

Term to Maturity Category	% of Total Portfolio	Term to Maturity (Policy Max.)	Term to Maturity (Policy Min.)
Less than 1 Year			
Term Deposits	50%		
Business Online Saver Accounts	5%		
Floating Rate Notes	1%		
General Surplus on Variable Loans	33%		
Bonds	2%		
Less than 1 Year Total	90%	100%	30%
Greater than 1 Year less than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	9%		
Bonds	0%		
Greater than 1 Year less than 3 Years Total	9%	70%	0%
Greater than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	1%		
Bonds	0%		
Greater than 3 Years Total	1%	30%	0%
Greater than 5 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	0%		
Greater than 5 Years	0%	10%	0%
Total	100%		

Investment Distribution by Portfolio Credit Rating

Portfolio Distribution Credit Rating Limits
There have been no breaches in Portfolio Credit Rating Limits for the month of July 2024

Credit Rating - Maximum Individual Limit	ADI	Counterparty	% of Total Portfolio	Individual Counterparty Limits of Total Investments
AA-	Commonwealth Bank of Australia Ltd	Commonwealth Bank of Australia Ltd	22%	50%
	National Australia Bank Ltd	National Australia Bank Ltd	25%	50%
	Westpac Banking Corporation Ltd	Westpac Banking Corporation Ltd	31%	50%
	ANZ Banking Group Ltd	ANZ Banking Group Ltd	1%	50%
	Northern Territory Treasury Corporation	Northern Territory Treasury Corporation	2%	50%
A+	Macquarie Bank	Macquarie Bank	1%	30%
	Suncorp Metway Limited	Suncorp Bank	5%	30%
A-	Bank of Queensland Ltd	Bank of Queensland Ltd	6%	30%
BBB+	Bank Australia Limited	Bank Australia Limited	2%	10%
	Members Banking Group Limited t/as RACQ Bank	Members Banking Group Limited t/as RACQ Bank	1%	10%
BBB	Great Southern Bank	Great Southern Bank	4%	10%
	Maitland Mutual Bank Ltd	Maitland Mutual Bank Ltd	2%	10%
Grand Total			100%	
Credit Rating - Maximum Portfolio Limit			% of Total	Policy Limit
AAA to AA-			78%	100%
A+ to A-			6%	45%
BBB+ to BBB			16%	30%
BBB-			0%	0%
Total			100%	

INVESTMENT AND CASH AT CALL/OFFSET REPORT TO COUNCIL
AS AT
31 July 2024

31 July 2024											
Instrument	Institution Category	Counterparty	Maturity Date	Interest Rate	Credit Rating (LT)	Credit Rating (ST)	Inv Type	FRN ONLY (Maturity Date - last pmt)	Principal \$	% Portfolio	
INVESTMENT	MAJOR BANK	ANZ Banking Group Ltd	26 September 2024	5.40%	AA-	A1+	FRN	31 March 2028	\$500,000	0.44%	
		ANZ Banking Group Ltd Total							\$500,000	0.44%	
		Commonwealth Bank of Australia Ltd	13 August 2024	5.09%	AA-	A1+	TD		\$2,000,000	1.77%	
			12 November 2024	5.43%	AA-	A1+	TD		\$3,000,000	2.65%	
			18 August 2024	4.24%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0.88%	
			18 August 2024	5.18%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0.88%	
			31 July 2024	4.35%	AA-	A1+	BOS		\$5,505,451	4.86%	
			12 October 2024	5.35%	AA-	A1+	FRN	13 January 2026	\$2,000,000	1.77%	
		Commonwealth Bank of Australia Ltd Total							\$14,505,451	12.81%	
		National Australia Bank Ltd	13 August 2024	5.10%	AA-	A1+	TD		\$5,000,000	4.42%	
			17 September 2024	5.15%	AA-	A1+	TD		\$2,000,000	1.77%	
			17 September 2024	5.22%	AA-	A1+	TD		\$3,000,000	2.65%	
			19 November 2024	5.21%	AA-	A1+	TD		\$2,000,000	1.77%	
			21 January 2025	5.30%	AA-	A1+	TD		\$1,000,000	0.88%	
		National Australia Bank Ltd Total							\$13,000,000	11.48%	
		Westpac Banking Corporation Ltd	3 December 2024	1.62%	AA-	A1+	TD		\$2,000,000	1.77%	
			10 September 2024	5.20%	AA-	A1+	TD		\$2,000,000	1.77%	
			22 October 2024	5.19%	AA-	A1+	TD		\$3,000,000	2.65%	
			24 September 2024	5.15%	AA-	A1+	TD		\$2,087,445	1.84%	
			12 November 2024	5.42%	AA-	A1+	TD		\$3,000,000	2.65%	
			28 January 2025	5.11%	AA-	A1+	TD		\$3,000,000	2.65%	
			22 April 2025	5.11%	AA-	A1+	TD		\$2,000,000	1.77%	
			13 May 2025	5.40%	AA-	A1+	TD		\$3,000,000	2.65%	
			20 May 2025	5.34%	AA-	A1+	TD		\$2,000,000	1.77%	
		Westpac Banking Corporation Ltd Total							\$22,087,445	19.51%	
		Northern Territory Treasury Corporation (NTTC)	15 December 2024	1.30%	AA-	A1+	BOND		\$2,000,000	1.77%	
		Northern Territory Treasury Corporation (NTTC) Total							\$2,000,000	1.77%	
		MAJOR BANK Total								\$52,092,896	46.01%
		OTHER	Bank of Queensland Ltd	10 December 2024	5.15%	A-	A2	TD		\$4,000,000	3.53%
				23 October 2024	5.10%	A-	A2	TD		\$3,000,000	2.65%
			Bank of Queensland Ltd Total							\$7,000,000	6.18%
			Macquarie Bank	12 August 2024	5.26%	A+	A1	FRN	12 February 2025	\$1,000,000	0.88%
			Macquarie Bank Total							\$1,000,000	0.88%
			Suncorp Bank	19 November 2024	5.19%	A+	A1	TD		\$2,000,000	1.77%
				19 November 2024	5.49%	A+	A1	TD		\$3,000,000	2.65%
				18 October 2024	5.33%	A+	A1	FRN	17 October 2025	\$1,000,000	0.88%
			Suncorp Bank Total							\$6,000,000	5.30%
			Bank Australia Limited	26 August 2024	5.94%	BBB+	A2	FRN	24 November 2025	\$2,000,000	1.77%
			Bank Australia Limited Total							\$2,000,000	1.77%
			Members Banking Group Limited t/as RACQ Bank	26 August 2024	5.84%	BBB+	A2	FRN	24 February 2026	\$1,600,000	1.41%
			Members Banking Group Limited t/as RACQ Bank Total							\$1,600,000	1.41%
			Great Southern Bank	8 April 2025	5.20%	BBB	A2	TD		\$4,000,000	3.53%
			Great Southern Bank Total							\$4,000,000	3.53%
			Maitland Mutual Bank Ltd	12 August 2024	6.04%	BBB	A2	FRN	10 May 2027	\$2,000,000	1.77%
			Maitland Mutual Bank Ltd Total							\$2,000,000	1.77%
			OTHER Total								\$23,600,000
OTHER Total									\$75,692,896	66.86%	
INVESTMENT Total											
VARIABLE LOAN SURPLUS	MAJOR BANK	Commonwealth Bank of Australia Ltd	31 July 2024	0.00%	AA-	A1+	General Surplus - 1		\$10,000,000	8.83%	
		Commonwealth Bank of Australia Ltd Total							\$10,000,000	8.83%	
		National Australia Bank Ltd	31 July 2024	0.00%	AA-	A1+	General Surplus - 1		\$14,750,000	13.03%	
		National Australia Bank Ltd Total							\$14,750,000	13.03%	
		Westpac Banking Corporation Ltd	31 July 2024	0.00%	AA-	A1+	General Surplus - 1		\$12,771,705	11.28%	
		Westpac Banking Corporation Ltd Total							\$12,771,705	11.28%	
MAJOR BANK Total								\$37,521,705	33.14%		
VARIABLE LOAN SURPLUS Total									\$37,521,705	33.14%	
Grand Total									\$113,214,602	100%	

N.B.

*INV TYPE - FRN = interest rate is the 'Coupon Margin' established on issue date, this plus 3M BBSW provides the yield for the current coupon period.

*MATURITY DATE - FRN = the interest coupon payment date not actual FRN maturity date (paid every 91 days).

CBA General Bank Funds	\$1,850,303
NAB General Bank Funds	\$242,288
WBC General Bank Funds	\$679,734
Total Funds	\$115,966,927
Less Variable Loans Offset (Cash on Call)	-\$37,521,705
Total Investment & Cash (less offset)	\$78,465,222
Total Budgeted Investment Earnings	\$2,464,000
Year to Date Investment Earnings	\$321,019
Weighted Ave Rate	3.35%
Weighted Ave Rate (excluding Cash on Call)	5.01%
BBSW 90 Day Rate	4.34%
Bloomberg AusBond (Bank Bill Index)	

Trust Bank Account	\$456,989
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**Report on Planned Major Capital Works
For The Period Ended 31 July 2024**

Class of Assets	By Major Capital Project	Total Prior Year(s) Actuals \$ (A)	YTD Actuals \$ (B)	Total Actuals \$ (C = A + B)	Total Planned Budget \$ (D)	Total Yet to Spend \$ (E = D - C)	Expected Project Completion Date
Buildings	Casuarina Aquatic & Leisure Centre	27,217,290	53	27,217,343	27,233,111	15,768	31/08/2024
Buildings	Civic Centre	591,590	7,775	599,365	14,600,000	14,000,635	
Transport	Civic Centre Car Park/CBD Parking Additional Spaces	0	0	0	26,000,000	26,000,000	
Waste Management Infrastructure	Shoal Bay - Stage 2 Expansion	268,292	120,602	388,894	12,000,000	11,611,106	31/10/2024
TOTAL		28,077,173	128,430	28,205,602	79,833,111	51,627,509	

Capital Expenditure For The Period Ended 31 July 2024	2024/25			
	YTD Actuals	YTD Revised Budget	YTD Variance	FY Revised Budget Current Financial Year Budget
	\$	\$	\$	\$
TOTAL CAPITAL EXPENDITURE BY ASSET CLASS:				
Capital Work In Progress				
Land - Under Roads	0	0	0	0
Land and Buildings:				
Land and Improvements	0	0	0	0
Buildings	59,709	1,263,786	1,204,077	15,165,500
Infrastructure:				
Stormwater Drainage	200,659	115,000	(85,659)	2,037,500
Transport	470,805	179,792	(291,013)	5,897,750
Pathways	57,513	187,041	129,528	2,244,500
Public Lighting	70,957	70,000	(957)	840,000
Waste Management Infrastructure	33,455	76,250	42,795	915,000
Waste Remediation	0	0	0	0
Right Of Use Assets (Leases):				
Leased Land and Buildings	0	0	0	0
Other Leased Assets	0	0	0	0
Plant & Equipment, including Fleet	74,332	2,467,011	2,392,679	29,604,250
Parks & Reserves Infrastructure	25,867	298,415	272,548	3,581,000
Other Assets	7,700	0	(7,700)	768,000
TOTAL CAPITAL EXPENDITURE	1,000,997	4,657,295	3,656,298	61,053,500
TOTAL CAPITAL EXPENDITURE FUNDED BY*:				
Operating Income	818,968	610,062	(208,906)	10,996,697
Capital Grants	59,581	88,791	29,210	3,500,000
Transfer from Reserves	122,448	3,958,442	3,835,994	46,556,803
Borrowings	0	0	0	0
TOTAL CAPITAL EXPENDITURE FUNDING	1,000,997	4,657,295	3,656,298	61,053,500

*YTD Funding of expenditure is assumed to be consumed in line with YTD Capital Expenditure

15.2 INTERIM MONTHLY FINANCIAL REPORT - AUGUST 2024

Author: Executive Manager Finance
Acting Executive Manager Corporate and Customer Services

Authoriser: General Manager Corporate

Attachments: 1. Interim Monthly Financial Report - August 2024 [↓](#)

RECOMMENDATIONS

THAT the report entitled Interim Monthly Financial Report – August 2024 be received and noted.

PURPOSE

The purpose of this report is to provide a summary of the interim financial position of Council for the period ended 31 August 2024.

Further, this report and the contents are required to be presented to Council in compliance with the *Local Government (General) Regulations 2021*.

KEY ISSUES

The Monthly Financial Report includes:

- Provisional Income Statement, which compares actual YTD income and expenditure against YTD budget.
- Provisional Fund Flow Statement (Monthly Operating Position), which outlines the effect on General Funds.
- Provisional Statement of Financial Position (Balance Sheet), which outlines what Council owns (assets) and what it owes (liabilities) at a point in time.
- Provisional Notes to the Balance Sheet, this includes further details on the Cash Balance, Trade Debtors, Trade Creditors, and a statement on Council's current payment and reporting obligations.
- Investments, which provides details of treasury activities, investments as at month end.
- Rates and Receivables Report which provides a summary of outstanding rates and debtors.
- Procurement Reporting, which is a summary of contract variations and exempt procurement.
- Provisional Capital Expenditure and Funding, which compares YTD capital expenditure and funding against YTD budget.
- Provisional Planned Major Projects Capital Works, provides a high-level financial overview of our major projects at a point in time.

DISCUSSION**August 2024 – Interim Year to Date Result**

The year-to-date operating result until 31 August 2024 is a **surplus of \$3.0M compared to a Budgeted surplus of \$2.3M** as highlighted in the table below.

Including capital income results in a favourable **\$0.68M** variance overall (as shown in the income statement).

	Actual \$'000	Budget \$'000	Variance \$'000
Operating Surplus/ (Deficit)	3,016	2,333	683 Favourable

Commentary

The 30 June 2024 Annual Financial Statements Audit is in progress and therefore the Annual Financial Statements are not considered final. Audit and other adjustments will be considered and processed as required, consequently this report is being presented as an abridged monthly financial report.

The Net Operating Position has a favourable variance to the revised budget of \$0.68M. Please find below additional commentary for the material variances.

Income**Total Operating Income is tracking above budget by \$1.6M**

Total Operating Income results in a positive surplus of \$1.6M compared to budget. The variance mainly relates User Fees & Charges which is tracking above expectation for August with higher than anticipated income at Shoal Bay Waste Management Facility. Operating grants are below budget due to the anticipated timing of the Public Library funding grant.

Expenditure**Total Expenses are above budget by \$0.96M.**

Materials & Contract expenses has an annual budget of \$61.1M and this incorporates various expenditure types. Combined this budget line has exceeded budget by \$1.8M, primarily due to expenditure at the Shoal Bay Waste Management Facility (offset by income) and insurance premiums. Interest Expenses provide a YTD savings with loan offsets utilised against the variable loans.

Statement of Fund Flows

The variances are related to timing of projects and budget profiles, and the reasons described above under operating statement commentary. Proceeds from borrowings reflect a variance of \$6M with borrowings executed in August 2024 for Shoal Bay Waste Management Facility Stage 2 Expansion. The budget will be brought forward through the Carry Forward report to reflect timing of the drawdown. Capital expenditure and Transfers from Reserves relates to timing of capital projects.

Cash and Investments Note A

City of Darwin has achieved 5.0% on weighted average interest rate on its end of month cash and investment portfolio of \$74.7M (excluding loan offset \$37.5M). There have been no investment policy breaches in this month.

The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

Treasury Comment

The RBA met on 5-6 August 2024 and the Board decided to leave the cash rate on hold at 4.35%.

Over the second week of September, the average deposit rates offered by the major banks rose slightly for terms up to 6 months and then fell for terms greater than six months (compared to where they were in August 2024).

Accounts Receivable (Trade Debtors) Note B

This section considers the receipt timing of Rates collection and any general Debtors outstanding. The report also includes information on aged debtors including general debtors, infringements, and Rates arrears.

Accounts Payable (Trade Creditors) Note C

Accounts Payable owing at end of month was \$2.8M at the time of reporting. City of Darwin recognises the liability of invoices once goods are receipted as received.

June 2024 – Audited General Purpose Financial Statements

The 30 June 2024 Financial Statements Audit is in progress, any audit year-end adjustments are still being considered and processed as required. The monthly financial reports will be issued as interim until the audit is concluded.

Procurement Reporting

Under the Local Government (General) Regulations, Council is required to disclose at the next Council meeting and on the City of Darwin website:

- contract variations:
 - where a tender was not required, however the total cost exceeds \$100,000, or
 - where a contract requiring a tender is varied by 10%.
- exempt procurement greater than \$100,000

Contract Variations

There were no reportable contract variations for August 2024.

Exempt Procurement

There was no reportable exempt procurement for August 2024.

Certification by the A/CEO to the Council

That, to the best of the A/CEO's knowledge, information and belief:

- (1) The internal controls implemented by the council are appropriate; and
- (2) The council's financial report best reflects the financial affairs of the council.

M Grassmayr

A/CEO Signed

19/09/2024

PREVIOUS COUNCIL RESOLUTION	
N/A	
STRATEGIC PLAN ALIGNMENT	6 Governance Framework 6.3 Decision Making and Management
BUDGET / FINANCIAL / RESOURCE IMPLICATIONS	N/A
LEGISLATION / POLICY CONTROLS OR IMPACTS	<p>Part 2 Division 7 the <i>Local Government (General) Regulations 2021</i> require that a monthly financial report is presented to Council each month setting out:</p> <p>(a) the actual income and expenditure of the council for the period from the commencement of the financial year up to the end of the previous month; and</p> <p>(b) the most recently adopted annual budget; and</p> <p>(c) details of any material variances between the most recent actual income and expenditure of the council and the most recently adopted annual budget.</p> <p>Regulation 17(5) Part 2 Division 7 the <i>Local Government (General) Regulations 2021</i> require that the monthly report must be accompanied by:</p> <p>(a) a certification, in writing, by the CEO to the council that, to the best of the CEO's knowledge, information and belief:</p> <p>(i) the internal controls implemented by the council are appropriate; and</p> <p>(ii) the council's financial report best reflects the financial affairs of the council; or</p> <p>(b) if the CEO cannot provide the certification – written reasons for not providing the certification.</p> <p>The report is compliant with the requirements of the <i>Local Government Act 2019</i> and <i>Local Government (General) Regulations 2021</i>.</p>
CONSULTATION, ENGAGEMENT & COMMUNICATION	N/A
DECLARATION OF INTEREST	<p>The report author does not have a conflict of interest in relation to this matter.</p> <p>The report authoriser does not have a conflict of interest in relation to this matter.</p> <p>If a conflict of interest exists, staff will not act in the matter, except as authorised by the CEO or Council (as the case requires).</p>

Income Statement For the Period Ended 31 August 2024	2024/25				
	Aug-24			FY	
	YTD Actual		YTD Revised Budget		Original Budget
	\$'000		\$'000		\$'000
<u>Operating Income</u>					
Rates	13,371	49%	13,099	52%	78,595
Charges	1,670	6%	1,646	6%	9,876
Statutory Charges	702	3%	421	2%	2,539
User Fees and Charges	6,070	22%	4,798	19%	28,337
Operating Grants and Subsidies	4,261	16%	4,509	18%	6,551
Interest / Investment Income	768	3%	586	2%	3,513
Commercial & Other Income	174	1%	311	1%	2,377
Total Income	27,017		25,369	1,647	131,790
<u>Operating Expenses</u>					
Employee Expenses	6,653	28%	7,095	31%	42,535
Materials, Contracts & Services	11,626	48%	9,780	42%	61,147
Elected Member Allowances	115	0%	117	1%	800
Elected Member Expenses	0	0%	2	0%	12
Council Committee Allowances	2	0%	2	0%	10
Depreciation, Amortisation & Impairment	5,525	23%	5,421	24%	32,524
Interest Expenses	80	0%	620	3%	3,722
Total Expenses	24,001		23,037	(964)	140,751
Budgeted Operating Surplus/ (Deficit)	3,016		2,333	683	(8,961)
Capital Grants Income	88		83	5	3,500
Net Surplus/(Deficit)	3,104		2,416	688	(5,461)

Statement of Fund Flows Monthly Statement of Operating Position For the Period Ended 31 August 2024	2024/25			
	Aug-24			FY
	YTD Actual \$'000	YTD Revised Budget \$'000	Variance \$'000	Original Budget \$'000
Net Operating Result from Income Statement	3,016	2,333	683	(8,961)
<u>Add Non Cash Items</u>				
Add back depreciation (not cash)	5,525	5,421	104	32,524
Add back Other Non Cash Items	0	0	0	1,402
Total Non Cash Items	5,525	5,421	104	33,926
<u>Less Additional Outflows</u>				
Repayment of borrowings & advances	1,029	1,029	0	(4,422)
Capital Expenditure	(2,023)	(9,500)	7,477	(61,054)
Total Additional Outflows	(994)	(8,470)	7,477	(65,476)
<u>Add Additional Inflows</u>				
Add Capital Grants	88	83	5	3,500
Sale of Infrastructure, Property, Plant & Equipment	2	84	(82)	500
Proceeds from borrowings & advances	6,000	0	6,000	0
Transfers from/(to) Reserves	(10,548)	549	(11,097)	36,511
Total Additional Inflows	(4,457)	717	(5,174)	40,511
Net Increase (-Decrease) in Funds	3,090	0	3,090	0

Statement of Financial Position
as at 31 August 2024

Statement of Financial Position as at 31 August 2024	2024/25			
	Aug-24 Actual \$'000	Note	FY Revised Budget \$'000	FY Original Budget \$'000
Current Assets				
Cash at Bank & Investments	45,191	A	17,482	17,482
Cash at Bank & Investments - externally restricted	48,881	A	19,753	19,753
Cash at Bank & Investments - internally restricted	28,476	A	11,829	11,829
Trade & Other Receivables	6,716	B	15,770	15,770
Rates & Charges Receivables	84,314	B	0	0
Inventories	277		300	300
Total Current Assets	213,855		65,134	65,134
Non-Current Assets				
Infrastructure, Property, Plant and Equipment	1,254,863		1,293,686	1,293,686
Total Non Current Assets	1,254,863		1,293,686	1,293,686
Total Assets	1,468,719		1,358,819	1,358,819
Current Liabilities				
Trade Payables & Other Payables	2,587	C	21,438	21,438
Accruals	8,553		0	0
ATO & Payroll Liabilities	219	D	0	0
Rates Revenue struck (in advance)	73,513		0	0
Borrowings	11,772		4,974	4,974
Provisions	6,789		7,583	7,583
Lease Liabilities	951		979	979
Total Current Liabilities	104,384		34,974	34,974
Non-Current Liabilities				
Trade & Other Payables	10		0	0
Borrowings	50,994		46,925	46,925
Provisions	50,236		56,784	56,784
Lease Liabilities	1,460		571	571
Total Non Current Liabilities	102,700		104,280	104,280
Total Liabilities	207,084		139,252	139,252
NET ASSETS	1,261,635		1,219,567	1,219,567
Equity				
Accumulated Surplus	316,980		325,857	325,857
Asset Revaluation Reserve	867,298		862,128	862,128
Other Reserves	77,357		31,582	31,582
TOTAL EQUITY	1,261,635		1,219,567	1,219,567

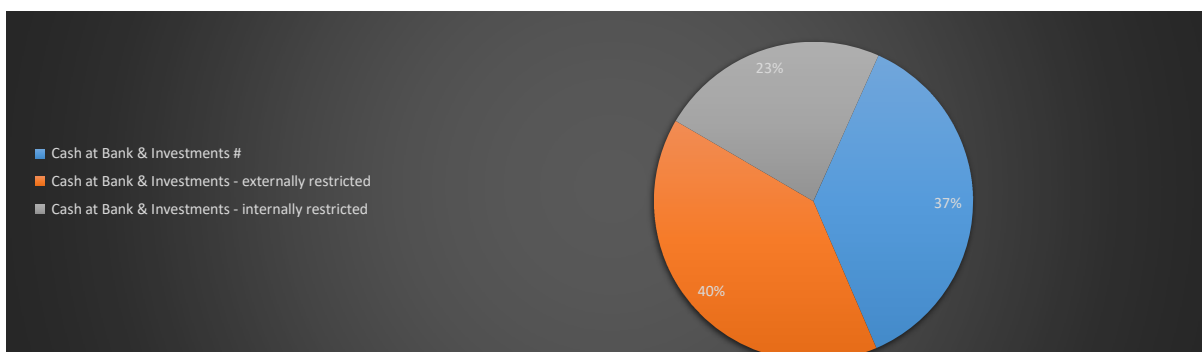
*Please note that these reports are unaudited management financial reports. Information contained in the reports were current as at the date of the reports and may not reflect any event or circumstances which occurred after the reports were completed. The 30 June 2024 Financial Statements Audit is in progress, any year-end adjustments are still being considered and processed as required. The monthly financial reports are issued as interim until the audit is concluded.

Monthly Balance Sheet Report (Notes to the Balance Sheet) as at 31 August 2024

Note A. Details of Cash and Investments Held

Investments Report attached, which provides details of treasury activities, investments as at the end of the Month. City of Darwin has achieved 3.34% on weighted average interest rate on its August 2024 cash and investment portfolio of \$112.2M (including \$37.2M Variable Loans Surplus/Offset). There have been no investment policy breaches in this month. The Investment Reports include surplus cash funds that are placed against variable loans. These funds are considered 'at call' as they can be accessed in short time frames.

Cash at Bank & Investments	\$'000
Cash at Bank & Investments #	45,191
Cash at Bank & Investments - externally restricted	48,881
Cash at Bank & Investments - internally restricted	28,476
Total Cash at Bank & Investments	122,548



Cash at Bank & Investments includes Cash on Call of \$37.5M

Note B. Statement of Trade Debtors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total *
Rates & Charges Debtors	\$ 79,470,388	\$0	\$0	\$4,844,100	\$84,314,488
Other Trade Receivables and Other Receivables	\$ 2,867,490	\$3,363,809	\$74,105	\$410,898	\$6,716,302
Total Trade and Other Receivables	\$ 82,337,878	\$3,363,809	\$74,105	\$5,254,998	\$ 91,030,790

Note C. Statement on Trade Creditors*	Past Due 1 – 30 Days	Past Due 31 – 60 Days	Past Due 61-90 Days	Past Due 90+ Days	Total*
General Trade Creditors	-\$2,325,124	-\$191,293	-\$27,110	-\$42,980	-\$2,586,508
ATO & Payroll Liabilities	-\$219,372	\$0	\$0	\$0	-\$219,372
Total Trade and Other Payables	-\$2,544,496	-\$191,293	-\$27,110	-\$42,980	-\$2,805,880

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

The Council has met its payment and reporting obligations for GST, Fringe Benefits Tax, PAYG withholding tax, superannuation, and insurance for the month August 2024.

* Please note that these reports are unaudited management financial reports. Information contained in the reports were current as at the date of the reports and may not reflect any event or circumstances which occurred after the date the reports were completed.

**Table 4. Member and CEO Council Credit Card Transactions for the Month
For the Month Ended 31 August 2024**

Cardholder Name: CEO

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
20-Aug-24	47.98	CabFare Payments Melbourne VIC	Travel
14-Aug-24	20.00	Paystay South Wharf AUS	Parking
12-Aug-24	41.98	UBER *TRIP Sydney AUS	Travel
12-Aug-24	41.98	UBER *TRIP Sydney AUS	Travel
5-Aug-24	32.82	UBER* TRIP SYDNEY NSW	Travel
5-Aug-24	32.78	UBER* TRIP SYDNEY NSW	Travel
Total	133.58		

Cardholder Name: Lord Mayor

Transaction Date	Amount \$	Supplier's Name	Reason for the Transaction
20-Aug-24	20.00	Paystay South Wharf AUS	Parking
16-Aug-24	2.00	BGHotels Darwin NT	Disputed Transaction
14-Aug-24	12.05	UBER *TRIP Sydney AUS	Travel
12-Aug-24	20.00	Paystay South Wharf AUS	Parking
8-Aug-24	5.00	DARWIN CONVENTION CE DARWIN	Parking
7-Aug-24	20.00	Paystay South Wharf AUS	Parking
1-Aug-24	20.00	Paystay South Wharf AUS	Parking
Total	99.05		

**INVESTMENTS REPORT TO COUNCIL
AS AT
31 August 2024**

Investment and Cash at Call/Offset Distribution by Term to Maturity

Term to Maturity Policy Limits
There have been no breaches in Term to Maturity Policy limits for the month of August 2024

Term to Maturity Category	% of Total Portfolio	Term to Maturity (Policy Max.)	Term to Maturity (Policy Min.)
Less than 1 Year			
Term Deposits	50%		
Business Online Saver Accounts	5%		
Floating Rate Notes	1%		
General Surplus on Variable Loans	33%		
Bonds	2%		
Less than 1 Year Total	90%	100%	30%
Greater than 1 Year less than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	9%		
Bonds	0%		
Greater than 1 Year less than 3 Years Total	9%	70%	0%
Greater than 3 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	1%		
Bonds	0%		
Greater than 3 Years Total	1%	30%	0%
Greater than 5 Years			
Term Deposits	0%		
Business Online Saver Accounts	0%		
Floating Rate Notes	0%		
Greater than 5 Years	0%	10%	0%
Total	100%		

Investment Distribution by Portfolio Credit Rating

Portfolio Distribution Credit Rating Limits
There have been no breaches in Portfolio Credit Rating Limits for the month of August 2024

Credit Rating - Maximum Individual Limit	ADI	Counterparty	% of Total Portfolio	Individual Counterparty Limits of Total Investments
AA-	Commonwealth Bank of Australia Ltd	Commonwealth Bank of Australia Ltd	20%	50%
	National Australia Bank Ltd	National Australia Bank Ltd	23%	50%
	Westpac Banking Corporation Ltd	Westpac Banking Corporation Ltd	34%	50%
	ANZ Banking Group Ltd	ANZ Banking Group Ltd	1%	50%
	Northern Territory Treasury Corporation	Northern Territory Treasury Corporation	2%	50%
A+	Macquarie Bank	Macquarie Bank	1%	30%
AA-	Suncorp Metway Limited	Suncorp Bank	5%	30%
A-	Bank of Queensland Ltd	Bank of Queensland Ltd	6%	30%
BBB+	Bank Australia Limited	Bank Australia Limited	2%	10%
	Members Banking Group Limited t/as RACQ Bank	Members Banking Group Limited t/as RACQ Bank	1%	10%
BBB	Great Southern Bank	Great Southern Bank	4%	10%
	Maitland Mutual Bank Ltd	Maitland Mutual Bank Ltd	2%	10%
Grand Total			100%	
Credit Rating - Maximum Portfolio Limit			% of Total	Policy Limit
AAA to AA-			84%	100%
A+ to A-			1%	45%
BBB+ to BBB			16%	30%
BBB-			0%	0%
Total			100%	

INVESTMENT AND CASH AT CALL/OFFSET REPORT TO COUNCIL
AS AT
31 August 2024

Instrument	Institution Category	Counterparty	Maturity Date	Interest Rate	Credit Rating (LT)	Credit Rating (ST)	Inv Type	FRN ONLY (Maturity Date - last pmt)	Principal \$	Port
ESTMENT	MAJOR BANK	ANZ Banking Group Ltd	26 September 2024	5.40%	AA-	A1+	FRN	31 March 2028	\$500,000	0
		ANZ Banking Group Ltd Total							\$500,000	0
		Commonwealth Bank of Australia Ltd	12 November 2024	5.43%	AA-	A1+	TD		\$3,000,000	2
			12 October 2024	5.35%	AA-	A1+	FRN	13 January 2026	\$2,000,000	1
			31 August 2024	4.35%	AA-	A1+	BOS		\$5,551,412	4
			16 November 2024	5.18%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0
			16 February 2025	4.24%	AA-	A1+	FRN	18 August 2025	\$1,000,000	0
		Commonwealth Bank of Australia Ltd Total							\$12,551,412	11
		National Australia Bank Ltd	17 September 2024	5.15%	AA-	A1+	TD		\$2,000,000	1
			17 September 2024	5.22%	AA-	A1+	TD		\$3,000,000	2
			19 November 2024	5.21%	AA-	A1+	TD		\$2,000,000	1
			21 January 2025	5.30%	AA-	A1+	TD		\$1,000,000	0
			17 June 2025	5.10%	AA-	A1+	TD		\$3,000,000	2
		National Australia Bank Ltd Total							\$11,000,000	9
		Suncorp Bank	19 November 2024	5.19%	AA-	A1+	TD		\$2,000,000	1
			19 November 2024	5.49%	AA-	A1+	TD		\$3,000,000	2
			18 October 2024	5.33%	AA-	A1+	FRN	17 October 2025	\$1,000,000	0
		Suncorp Bank Total							\$6,000,000	3
		Westpac Banking Corporation Ltd	3 December 2024	1.62%	AA-	A1+	TD		\$2,000,000	1
			10 September 2024	5.20%	AA-	A1+	TD		\$2,000,000	1
			22 October 2024	5.19%	AA-	A1+	TD		\$3,000,000	2
			24 September 2024	5.15%	AA-	A1+	TD		\$2,087,445	1
			12 November 2024	5.42%	AA-	A1+	TD		\$3,000,000	2
			19 November 2024	5.04%	AA-	A1+	TD		\$3,000,000	2
			28 January 2025	5.11%	AA-	A1+	TD		\$3,000,000	2
			22 April 2025	5.11%	AA-	A1+	TD		\$2,000,000	1
			13 May 2025	5.40%	AA-	A1+	TD		\$3,000,000	2
			20 May 2025	5.34%	AA-	A1+	TD		\$2,000,000	1
		Westpac Banking Corporation Ltd Total							\$25,087,445	21
		Northern Territory Treasury Corporation (NTTC)	15 December 2024	1.30%	AA-	A1+	BOND		\$2,000,000	1
		Northern Territory Treasury Corporation (NTTC) Total							\$2,000,000	1
	MAJOR BANK Total								\$57,138,858	51
	OTHER	Bank of Queensland Ltd	10 December 2024	5.15%	A-	A2	TD		\$4,000,000	3
			23 October 2024	5.10%	A-	A2	TD		\$3,000,000	2
		Bank of Queensland Ltd Total							\$7,000,000	5
		Macquarie Bank	10 November 2024	5.26%	A+	A1	FRN	12 February 2025	\$1,000,000	0
		Macquarie Bank Total							\$1,000,000	0
		Bank Australia Limited	24 November 2024	5.94%	BBB+	A2	FRN	24 November 2025	\$2,000,000	1
		Bank Australia Limited Total							\$2,000,000	1
		Members Banking Group Limited t/as RACQ Bank	24 November 2024	5.84%	BBB+	A2	FRN	24 February 2026	\$1,600,000	1
		Members Banking Group Limited t/as RACQ Bank Total							\$1,600,000	1
		Great Southern Bank	8 April 2025	5.20%	BBB	A2	TD		\$4,000,000	3
		Great Southern Bank Total							\$4,000,000	3
		Maitland Mutual Bank Ltd	10 November 2024	6.04%	BBB	A2	FRN	10 May 2027	\$2,000,000	1
		Maitland Mutual Bank Ltd Total							\$2,000,000	1
OTHER Total									\$17,600,000	15
STMENT Total									\$74,738,858	66
IABLE LOAN SURPLUS	MAJOR BANK	Commonwealth Bank of Australia Ltd	31 August 2024	0.00%	AA-	A1+	General Surplus - (\$10,000,000	8
		Commonwealth Bank of Australia Ltd Total							\$10,000,000	8
		National Australia Bank Ltd	31 August 2024	0.00%	AA-	A1+	General Surplus - I		\$14,740,000	13
		National Australia Bank Ltd Total							\$14,740,000	13
		Westpac Banking Corporation Ltd	31 August 2024	0.00%	AA-	A1+	General Surplus - I		\$12,490,819	11
	MAJOR BANK Total	Westpac Banking Corporation Ltd Total							\$12,490,819	11
ABLE LOAN SURPLUS Total								\$37,230,819	33	
i Total									\$111,969,677	99

TYPE - FRN = interest rate is the 'Coupon Margin' established on issue date, this plus 3M BBSW provides the yield for the current coupon period.
URITY DATE - FRN = the interest coupon payment date not actual FRN maturity date (paid every 91 days).

CBA General Bank Funds	\$9,871,476
NAB General Bank Funds	\$242,288
WBC General Bank Funds	\$679,734
Total Funds	\$122,763,176
Less Variable Loans Offset (Cash on Call)	-\$37,230,819
Total Investment & Cash (less offset)	\$85,532,356
Total Budgeted Investment Earnings	\$2,464,000
Year to Date Investment Earnings	-\$969,449

Weighted Ave Rate	3.34%
Weighted Ave Rate (excluding Cash on Call)	5.00%
BBSW 90 Day Rate	4.42%
Bloomberg AusBond (Bank Bill Index)	

Trust Bank Account	\$456,989
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Capital Expenditure For The Period Ended 31 August 2024	2024/25			
	YTD	YTD	YTD	FY
	Actuals	Revised Budget	Variance	Revised Budget
	\$	\$	\$	Current Financial Year Budget \$
TOTAL CAPITAL EXPENDITURE BY ASSET CLASS:				
Capital Work In Progress				
Land - Under Roads	0	0	0	0
Land and Buildings:				
Land and Improvements	0	0	0	0
Buildings	95,814	6,860,888	6,765,074	41,165,500
Infrastructure:				
Stormwater Drainage	200,659	415,000	214,341	2,037,500
Transport	851,741	359,584	(492,157)	5,897,750
Pathways	178,788	374,082	195,294	2,244,500
Public Lighting	83,425	140,000	56,575	840,000
Waste Management Infrastructure	137,208	152,500	15,292	915,000
Waste Remediation	0	0	0	0
Right Of Use Assets (Leases):				
Leased Land and Buildings	0	0	0	0
Other Leased Assets	0	0	0	0
Plant & Equipment, including Fleet	385,671	600,706	215,035	3,604,250
Parks & Reserves Infrastructure	80,520	596,830	516,310	3,581,000
Other Assets	9,200	0	(9,200)	768,000
TOTAL CAPITAL EXPENDITURE	2,023,026	9,499,590	7,476,564	61,053,500
TOTAL CAPITAL EXPENDITURE FUNDED BY*:				
Operating Income	1,634,950	1,405,124	(229,826)	10,996,697
Capital Grants	61,081	177,582	116,501	3,500,000
Transfer from Reserves	326,995	7,916,884	7,589,889	46,556,803
Borrowings	0	0	0	0
TOTAL CAPITAL EXPENDITURE FUNDING	2,023,026	9,499,590	7,476,564	61,053,500

*YTD Funding of expenditure is assumed to be consumed in line with YTD Capital Expenditure

**Report on Planned Major Capital Works
For The Period Ended 31 August 2024**

Class of Assets	By Major Capital Project	Total Prior Year(s) Actuals \$ (A)	YTD Actuals \$ (B)	Total Actuals \$ (C = A + B)	Total Planned Budget \$ (D)	Total Yet to Spend \$ (E = D - C)	Expected Project Completion Date
Buildings	Casuarina Aquatic & Leisure Centre	27,217,290	34,158	27,251,448	27,233,111	(18,337)	31/08/2024
Buildings	Civic Centre & Car Park Upgrade	591,590	9,775	601,365	14,600,000	13,998,635	
Buildings	Civic Centre Car Park/CBD Parking Additional Spaces	0	0	0	26,000,000	26,000,000	
Waste Management Infrastructure	Shoal Bay - Stage 2 Expansion	268,292	138,912	407,204	12,000,000	11,592,796	31/10/2024
TOTAL		28,077,173	182,845	28,260,018	79,833,111	51,573,093	

7 QUESTIONS BY MEMBERS

8 GENERAL BUSINESS

8.1

Common No.

THAT

9 CLOSURE OF MEETING TO THE PUBLIC

THAT pursuant to Section 65 (2) of the Local Government Act and Regulation 8 of the Local Government (Administration) Regulations the meeting be closed to the public to consider the Confidential Items of the Agenda.

RECOMMENDATIONS

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 99(2) of the *Local Government Act 2019*:

12.1 Audited Annual Financial Statements for Year Ended 30 June 2024

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.2 City of Darwin Draft Annual Report 2023/24

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.3 Shoal Bay Waste Management Facility - Update October 2024

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.4 Property Policies

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.5 Asset Management Update including AMP Buildings and Land

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) and 51(e) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person and subject to subregulation 51(3) – information provided to the council on condition that it be kept confidential and would, if publicly disclosed, be likely to be contrary to the public interest.

12.6 Internal Audit Update

This matter is considered to be confidential under Section 99(2) - 51(c)(i) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person.

12.7 Risk Review and Assessment - October 2024

This matter is considered to be confidential under Section 99(2) - 51(c)(i) and 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person and information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.8 ICT Roadmap - Update on Progress

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.9 Work Health & Safety Quarterly Report: April-June 2024

This matter is considered to be confidential under Section 99(2) - 51(a) and 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual and information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.10 Work Health & Safety Quarterly Report: July - September 2024

This matter is considered to be confidential under Section 99(2) - 51(a) and 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual and information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.11 Corporate Services Quarterly Report: April-June 2024

This matter is considered to be confidential under Section 99(2) - 51(a) and 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual and information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.12 Corporate Services Quarterly Report: July-September 2024

This matter is considered to be confidential under Section 99(2) - 51(a) and 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual and information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.



MINUTES

Risk Management & Audit Committee Meeting

Friday, 28 June 2024

Date: Friday, 28 June 2024

Time: 9.00am

**Location: Meeting Room Darrandirra (Chambers)
Level 1, Civic Centre
Harry Chan Avenue, Darwin**

**MINUTES OF CITY OF DARWIN
RISK MANAGEMENT & AUDIT COMMITTEE MEETING
HELD AT THE MEETING ROOM DARRANDIRRA (CHAMBERS), LEVEL 1, CIVIC CENTRE,
HARRY CHAN AVENUE, DARWIN
ON FRIDAY, 28 JUNE 2024 AT 9.00AM**

PRESENT:

Chair Roland Chin
Councillor Jimmy Bouhoris
Councillor Brian O'Gallagher
Councillor Ed Smelt
Member George Araj
Member Joe McCabe

OFFICERS

Simone Saunders (Chief Executive Officer)
Chris Kelly (Executive Manager Corporate and Customer Service)
Alice Percy (General Manager Innovation)
Nick Fewster (Executive Manager Environment and Waste Services)
Irene Frazis (Executive Manager Finance)
Alexandra Vereker (Executive Manager HR and Safety)

APOLOGY:

Member Sanja Hill

GUESTS:

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1 MEETING DECLARED OPEN

RECOMMENDATIONS

The Chair declared the meeting open at 9.05am

We the members of City of Darwin acknowledge that we are meeting on Larrakia Country.

We recognise and pay our respects to all Larrakia people, Traditional Owners and Custodian Elders of the past and present.

We support emerging Larrakia leaders now and into the future.

We are committed to working together with all Larrakia to care for this land and sea for our shared future.

2 APOLOGIES AND LEAVE OF ABSENCE

COMMITTEE RESOLUTION RMAC035/24

Moved: Chair Roland Chin

Seconded: Councillor Jimmy Bouhoris

THAT the apology from Member Sanja Hill be received and noted.

CARRIED 5/0

3 ELECTRONIC MEETING ATTENDANCE

3.1 ELECTRONIC MEETING ATTENDANCE GRANTED

RECOMMENDATIONS

THAT The Committee note that pursuant to Section 98 (3) of the Local Government Act the following members were granted permission for Electronic Meeting Attendance at this Risk Management and Audit Committee Meeting held on Friday, 28 June 2024:

- Member Joe McCabe
- Member George Araj

3.2 ELECTRONIC MEETING ATTENDANCE REQUESTED

RECOMMENDATIONS

THAT the Committee note that pursuant to Section 98 (3) of the Local Government Act 2019, the following members request Electronic Meeting Attendance:

- Councillor Brian O'Gallagher

4 DECLARATION OF INTEREST OF MEMBERS AND STAFF

4.1 DECLARATION OF INTEREST BY MEMBERS

RECOMMENDATIONS

Member Roland Chin made the following Declarations (updated 20/10/23):

- F. Treasurer of St John Ambulance Australia (NT) Inc.; Director of SJA (NT) Endowment Company Pty Ltd as trustee for The St John Ambulance (NT) Endowment Trust; Director of St John Ambulance Australia NT Holdings Pty Ltd; St John Ambulance Australia Ltd – Finance, Audit & Risk subcommittee
- G. President of Chung Wah Society Inc
- H. Chair of Audit and Risk Committee of Venture Housing Company Limited
- I. Chair of Audit, Risk and Compliance Committee of Charles Darwin University
- J. Tiwi Land Council Audit Committee.

Councillor Jimmy Bouhoris made the following Declarations (25/06/21):

- B. any items relating to PowerWater

Councillor Brian O’Gallagher made the following Declaration (19/04/24)

- B. pre-selection for the seat of Karama at the upcoming NT Election

Councillor Ed Smelt made the following Declarations (20/10/2023):

- A. any items relating to Department of Infrastructure, Planning and Logistics, NTG

Member Sanja Hill advised of the following representations (updated 19/04/24):

- B. any items relating to Department of the Attorney-General and Justice NTG

Member Joe McCabe made the following Declarations (28/06/24):

- B. ~~any items relating to Alice Springs Town Council~~
- C. any items relating to Townville City Council

4.2 DECLARATION OF INTEREST BY STAFF

Nil

5 CONFIRMATION OF PREVIOUS MINUTES

COMMITTEE RESOLUTION RMAC036/24

Moved: Member George Araj
Seconded: Member Joe McCabe

THAT the minutes of the Risk Management & Audit Committee Meeting held on 19 April 2024 be confirmed.

CARRIED 5/0

Councillor Brian O’Gallagher joined the meeting via TEAMS 9.28am

6 ACTION REPORTS

6.1 RISK REVIEW AND ASSESSMENT - JUNE 2024

COMMITTEE RESOLUTION RMAC037/24

Moved: Member George Araj
Seconded: Councillor Jimmy Bouhoris

THAT the report entitled Risk Review and Assessment June 2024 be received and noted.

CARRIED 6/0

NOTE: A/EM Corporate & Customer Services advised that risks are updated as per nominated risk review dates and refresh of Strategic Risk Register is currently being undertaken.

6.2 REVIEW OF FRAUD PREVENTION POLICY AND PROCEDURE

COMMITTEE RECOMMENDATIONS

Moved: Councillor Brian O’Gallagher
Seconded: Member George Araj

1. THAT the report entitled Review of Fraud Prevention Policy and Procedure be received and noted.
2. THAT the Risk Management and Audit Committee endorse the revised Fraud Prevention Policy at **Attachment 1**.
3. THAT the Risk Management and Audit Committee endorse the revised Fraud Prevention Procedure at **Attachment 3**.

COMMITTEE RESOLUTION RMAC010/24

Moved: Councillor Jimmy Bouhoris
Seconded: Councillor Ed Smelt

THAT this item lay on the table and be referred to October Risk Management and Audit Committee meeting.

CARRIED 6/0

6.3 MONTHLY FINANCIAL REPORTS: MARCH-APRIL 2024**COMMITTEE RESOLUTION RMAC038/24**

Moved: Councillor Brian O'Gallagher

Seconded: Member Joe McCabe

THAT the report entitled Monthly Financial Reports: March – April 2024 be received and noted.

CARRIED 6/0

7 QUESTIONS BY MEMBERS

Nil

8 GENERAL BUSINESS

Nil

9 CLOSURE OF MEETING TO THE PUBLIC**COMMITTEE RESOLUTION RMAC039/24**

Moved: Councillor Jimmy Bouhoris

Seconded: Councillor Ed Smelt

THAT pursuant to Section 65 (2) of the Local Government Act and Regulation 8 of the Local Government (Administration) Regulations the meeting be closed to the public to consider the Confidential Items of the Agenda.

CARRIED 6/0

Open section of the meeting closed at 10.25am.

RECOMMENDATIONS

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 99(2) of the *Local Government Act 2019*:

12.1 Presentation: NSC Group - Employee Engagement Survey 2024

This matter is considered to be confidential under Section 99(2) - 51(c)(iii) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to prejudice the security of the council, its members or staff.

12.2 Shoal Bay Waste Management Facility - Update June 2024

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

6.1 Asset Management Update

This matter is considered to be confidential under Section 99(2) - 51(c)(i) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person.

12.3 ICT Roadmap - Update on Progress

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.4 2023/24 Annual Financial Statements - Final Audit Work Plan

This matter is considered to be confidential under Section 99(2) - 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.5 Update on Internal Audit - June 2024

This matter is considered to be confidential under Section 99(2) - 51(c)(i) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person.

12.6 Corporate Services Quarterly Report: January-March 2024

This matter is considered to be confidential under Section 99(2) - 51(a) and 51(c)(iv) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual and information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.7 Work Health & Safety Quarterly Report: January-March 2024

This matter is considered to be confidential under Section 99(2) - 51(a) and 51(c)(iv) of the Local

Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual and information that would, if publicly disclosed, be likely to subject to subregulation 51(3) – prejudice the interests of the council or some other person.

12.8 Notification Register - period ending 18 June 2024

This matter is considered to be confidential under Section 99(2) - 51(a) and 51(f) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual and subject to subregulation 51(2) – information in relation to a complaint of a contravention of the code of conduct.

The Meeting closed at 12:41am.

The minutes of this meeting were confirmed at the Risk Management & Audit Committee held on 18 October 2024.

.....
CHAIR

Unconfirmed