

Corporate Plan 2019-20: in review

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Introduction

The Northern Territory Department of Treasury and Finance (DTF) corporate plan is published on a three-year rolling schedule. It sets out the department's strategic goals, strategies through which the goals are to be achieved and key actions planned for the department.

As the Corporate Plan 2017–2020 (see Attachment A) has come to a close, we reflect on the goals and key actions set out in this corporate plan, and provide a snapshot of achievements towards these goals over the last 12 months.

Cross-agency involvement

The corporate plan is developed in consultation with directors, supported by corporate services. The Senior Management Group reviewed and endorsed the corporate plan, and any amendments to it. Each year during 2017–2020, workshops were held with directors and assistant directors to provide input into the agency's strategic direction and key actions for that year.

Strategic goals

1. Support the Territory's economic growth, job creation and budget repair through strong leadership, and clear and factual policy advice to the government.
2. Proactively engage and collaborate with stakeholders to identify solutions that add value to policy and service delivery outcomes.
3. Empower our people and create an agile, skilled and resilient work force by continuing to build, grow and maintain organisational capability.

Key actions and achievements

The key actions represent the agency's most significant work and do not include business-as-usual activities. They are updated on an annual basis, with a forward view of the coming financial year. The complete list of actions is set out on pages 2 and 3 of the original corporate plan. In line with the annual review cycle, these were amended and updated annually during the three years the plan was in place.

Over the course of 2017–2020, DTF achieved a number of the key actions set out in the corporate plan. The department was also responsive to events in the external environment, adjusting direction and priorities as necessary to meet new challenges and emerging issues. This is a snapshot of these achievements over 2019-20.

Goal 1: Support the Territory's economic growth, job creation and budget repair through strong leadership, and clear and factual policy advice to the government

Strategy: Lead the implementation of the government's budget repair strategy

Budget repair strategy

The independent Fiscal Strategy Panel published *A plan for budget repair: Final report* in April 2019. This plan outlines the government's plan to fix the budget to return to balance/surplus over the medium term.

DTF established the Budget Repair Office and Budget Repair Standing Committee in response to *A plan for budget repair*, in line with the goal and key actions listed above.

Over the last year, DTF has continued to drive the implementation of these reforms, including monitoring, evaluating and reporting on plans for more complex reforms, as well as implementing actions DTF are responsible for.

Strategy: Provide leadership in microeconomic reform to support a strong, competitive economy and improve productivity and efficiency

Reduction of utilities tariffs

The Territory and Commonwealth governments announced a range of economic support measures in March 2020 in response to COVID-19. Part of the Territory Government's measures included work by DTF to amend the *Electricity Reform Act 2000* and *Water Supply and Sewerage Services Act 2000*.

These amendments resulted in a 50 per cent reduction of regulated utilities tariffs (electricity, water and sewerage) from 1 April 2020 for private sector Territory businesses with turnover below \$50 million experiencing hardship related to COVID-19.

Strategy: Effectively administer the government's revenue collection system, funds management and superannuation schemes

Tax relief

The Territory Revenue Office (TRO) administers and provides advice on the Territory's main own-source revenues and certain grant and subsidy schemes.

The Territory Government set up a Business Hardship Package in 2020, in response to COVID-19. TRO designed and implemented the tax relief component of this package. This work has thus far provided support to over 100 employers by waiving the payment of payroll tax. The relief package has been extended to June 2021.

Cost-effective funding, efficient financial management and reliable service and advice

The Northern Territory Treasury Corporation (NTTC) undertakes the financial management of the Territory's public finances. NTTC manages the Territory's exposure to funding risk by ensuring the Territory Government is not exposed to a significant refinancing risk in any financial year. In 2019-20, NTTC successfully delivered a \$1.3 billion borrowing program.

Territory Bonds is NTTC's retail fixed interest borrowing product and is used to attract funds from the general public. Territory Bonds have been issued since 1979 and are offered to investors seeking a safe, secure, government-guaranteed investment. In 2019-20, about \$7.3 billion was on issue in a major bond series in Australian debt capital markets.

Commonwealth superannuation law reforms

The Northern Territory Superannuation Office (NTSO) administers NT Public Sector superannuation schemes. The Commonwealth announced four significant measures affecting superannuation during 2019-20. While these measures do not directly affect any of the NTG schemes, they may impact the members of those schemes. The NTSO has implemented these measures as required, including facilitating members' early access to their superannuation.

Over the course of the year, NTSO also continued to provide information to assist members in understanding their entitlements under the defined benefit superannuation schemes. A total of 1414 member contacts were handled by the NTSO in 2019-20.

Goal 2: Proactively engage and collaborate with stakeholders to identify solutions that add value to policy and service delivery outcomes

Strategy: Provide expert economic and financial advice that is sought and valued by key stakeholders

Review of Treasurer's Directions and implementation of new accounting standards

Treasurer's Directions (TDs) specify the practices and procedures to be observed by Accountable Officers in the financial management of their agencies. Across the financial year, DTF released two new TDs:

- Disaster recovery funding arrangements (August 2019): The purpose of which is to establish minimum requirements for the collection and reporting of disaster related expenditure by Northern Territory agencies to ensure the Northern Territory maximises its claim under the Disaster Recovery Funding Arrangements
- Income (January 2020): The purpose of which is to detail the key principles of income management, income recognition and reporting requirements for agencies to comply with Australian accounting standards on revenue.

DTF also updated two existing directions:

- Insurance arrangements (July and November 2019): The purpose of which is to provide a framework for insurance arrangements for the Northern Territory (NT) Government
- Leases (October 2019): The purpose of which is to establish minimum requirements for the recognition, measurement and management of leases.

In addition to its responsibilities in relation to DTs, DTF are also responsible for implementing new accounting standards set out by the Australian Accounting Standards Board. An accounting standard is a technical pronouncement that sets out the required accounting for particular types of transactions and events. The accounting requirements affect the preparation and presentation of an entity's financial statements.

There were also three new accounting standards implemented in 2019-20 across government:

- AASB 16 Leases:
- AASB 15 Revenue from contracts with customers
- AASB 1058 Income of not for profit entities.

The new standards are effective from 1 July 2019. They were audited on the implementation of the standards this year, after the financial year ended on 30 June 2020. DTF were given an unmodified audit opinion (otherwise referred to as a clean audit opinion).

Commonwealth Grants Commission 2020 Methodology review and study into remote area tax concessions and payments

In 2016, the Commonwealth Grants Commission commenced a review of the methods used to calculate the relativities for distributing the pool of GST among the states and territories, to apply from 2020-21. DTF, with information and data provided by agencies from across government, prepared submissions to the review. As a result of this work, the review report recommended an increase in the Territory's GST relativity to around 4.8, up from 4.3.

In 2018, the Productivity Commission was charged with undertaking a review into remote tax assistance to ensure it remains fair and contemporary. DTF developed a Territory Government submission to the study, setting out the Territory's support for remote area tax concessions and payments. The final report to government was published in February 2020. The report recommended abolishing the zone tax offset and updating the remote area allowance and fringe benefits tax remote area concessions.

Goal 3: Empower our people and create an agile, skilled and resilient work force by continuing to build, grow and maintain organisational capability

Strategy: Develop current and future leaders capable of shaping policy and services for the Territory

Middle level mobility program

DTF's Middle level mobility program was introduced in 2018. The program provides DTF employees of any designation an opportunity to broaden their skills and experience with placements at level to another DTF work unit, another agency within the Northern Territory Public Sector (NTPS) or a secondment outside the NTPS.

Over the last year, DTF staff continued to benefit from the professional development opportunities provided by the program, including through staff exchanges with the South Australia DTF.

Strategy: Provide efficient systems to support organisational capability

Pandemic plan

COVID-19 was first identified in late 2019, and the World Health Organisation declared the disease a pandemic in March 2020. DTF worked with the Department of the Chief Minister to develop and implement a pandemic-specific business continuity plan in response to the threat to DTF's staff and functions, the first iteration was published on 13 March 2020.

This plan covered measures to:

- protect the health and safety of all staff
- prevent, where possible, further development of the pandemic
- respond promptly and effectively to minimise the pandemic's impact
- contribute to the rapid and confident recovery of staffing and business-as-usual operation across departments
- identify and maintain critical business functions throughout the event.

DTF's COVID-19 response included the temporary reassignment of 11 staff to other agencies to assist with implementation of the pandemic plan. This provided staff with the opportunity to develop new skills and professional networks.

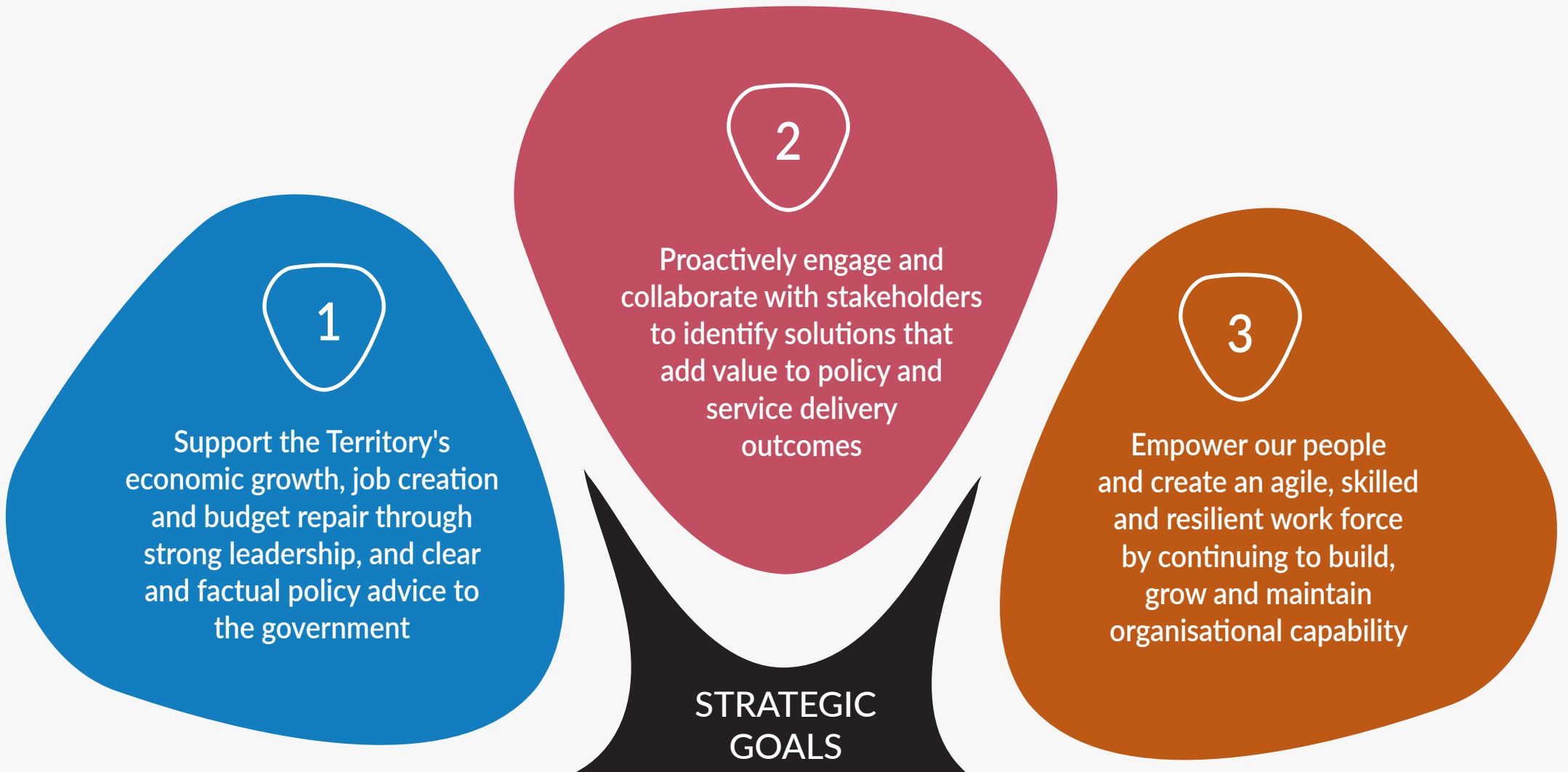
Further information

Further information about DTF's achievements during 2017–2020 are detailed in the department's [annual reports](#) from this period.

Attachment A

Corporate Plan 2017–2020, published in July 2017 and refreshed in 2018 and 2019.

2017-2020 CORPORATE PLAN



VISION

To be recognised for excellence in the provision of economic, financial and statistical services for the Northern Territory Government.

PURPOSE

To promote sustainable fiscal strength and economic development of the Territory and contribute to improved social and fiscal wellbeing for Territorians.

VALUES

Commitment to service, ethical practice, respect, accountability, impartiality, diversity.

GOAL 1: Support the Territory's economic growth, job creation and budget repair through strong leadership, and clear and factual policy advice to the government

STRATEGIES

- Lead the implementation of the government's budget repair strategy
- Shape policy to inform investment decisions and support the key fiscal targets of the government
- Provide leadership in microeconomic reform to support a strong, competitive economy and improve productivity and efficiency
- Advocate the Territory's interests in the Territory's fiscal relations with the Commonwealth
- Effectively administer the government's revenue collection system, funds management and superannuation schemes

GOAL 2: Proactively engage and collaborate with stakeholders to identify solutions that add value to policy and service delivery outcomes

STRATEGIES

- Provide expert economic and financial advice that is sought and valued by key stakeholders
- Improve public sector accountability by supporting and developing contemporary legislative and policy frameworks
- Foster strong industry and community partnerships

GOAL 3: Empower our people and create an agile, skilled and resilient work force by continuing to build, grow and maintain organisational capability

STRATEGIES

- Attract, retain and reward high-calibre people
- Develop current and future leaders capable of shaping policy and services for the Territory
- Provide efficient systems to support organisational capability
- Ensure a safe, productive and fair work place