

>> ACCOUNTABILITY AND GOVERNANCE



Ramingining dancers at the 2004 Garma Festival.

>> COUNCILS

FULL COUNCIL AND EXECUTIVE COUNCIL

Full Council and Executive Council meetings are the primary policy-making forums for the NLC. Full Council is also responsible for directing Land Trusts to enter into agreements under the ALRA. Members are provided with detailed briefings and analysis of current issues in order to make appropriate decisions.

The NLC has a small Secretariat section to support policy-making, keep members informed, arrange the logistics of Full Council, Executive Council and Women's Committee decisions are implemented.

For a more detailed discussion of the roles and operations of the Full Council and Executive see *About the NLC* on page 13.

The current Council is the 10th Full Council of the NLC. It met for the first time in Darwin in October 2004. A second meeting was held at Lake Bennett in April 2005. The Executive Council manages Council business between meetings. This year the Executive Council met in Darwin on five occasions. The seven Regional Councils met 21 times throughout the year.

The NLC provided governance training to members of the Council. The training was developed throughout the 2003/2004 reporting year, and was fully implemented

during 2004/2005, with all new members of the Council receiving the training. The training package is an innovative program incorporating CD Rom, charts and workbooks. It was developed in close consultation with the NLC's membership, and the content covers the roles and responsibilities of council members under the ALRA, Commonwealth Authorities and Companies Act, and the *Native Title Act*.

REGIONAL COUNCILS

The NLC has a long-term policy of supporting regional decision-making. To this end, significant time, effort and resources are directed each year towards ensuring well organised Regional Council meetings and maintaining fully-staffed and resourced regional offices. Regional Council meetings can arrange their own agendas and make decisions about land use agreements up to the limit of the delegation of powers currently allowable under the ALRA (up to \$100,000 or leases up to two years).

During the reporting period, the NLC invested in staff facilities in Peppimenarti and Wadeye community. The Timber Creek Regional Office was upgraded to better support increased land use activity in the region. During the year, the Nhulunbuy Regional Office moved from providing logistical support to initiating and managing small to medium scale projects.



>> CORPORATE GOVERNANCE

MANAGEMENT STRUCTURE

The organisational structure of the NLC incorporates Full Council, Executive Council, Regional Council, the Chief Executive Officer, the Deputy Chief Executive Officer and 7 Branch Managers.

The Chief Executive Officer is responsible for the day to day operations of the NLC, in close consultation with the Chairman and Senior Management Group.

The CEO, DCEO and Branch Managers form the NLC's Senior Management Group which met 12 times during the reporting period. The

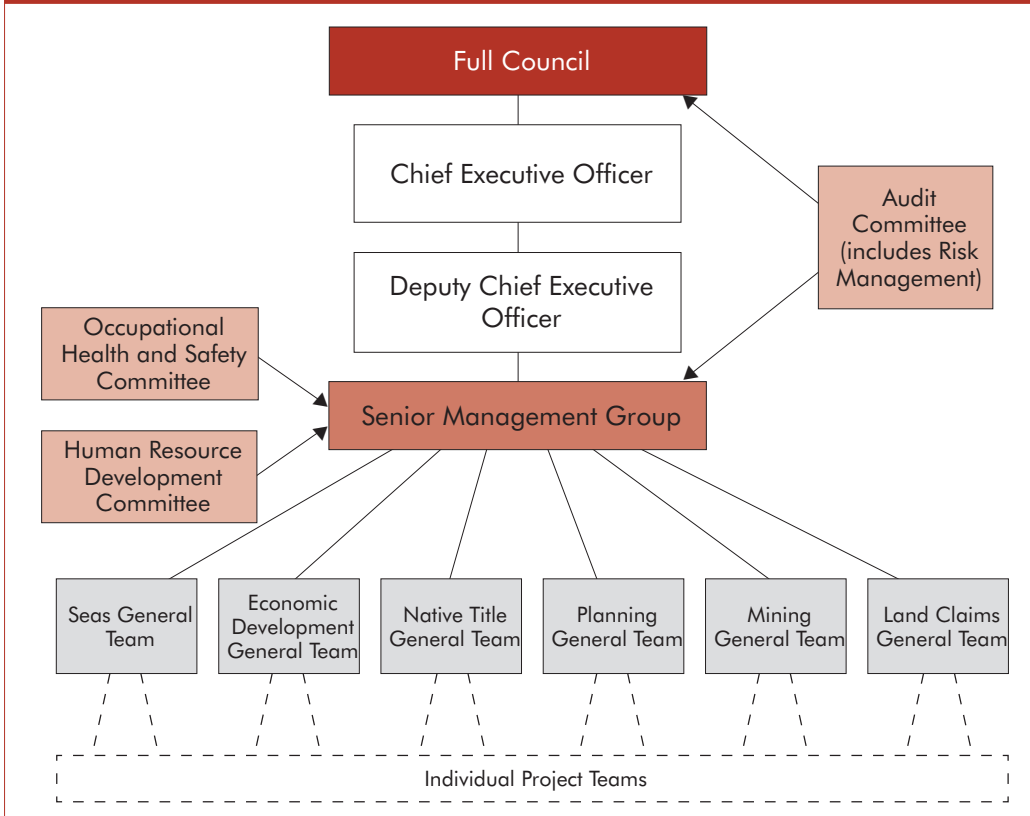
Management Group is the main formal vehicle through which senior managers provide advice to the CEO and Deputy CEO on the full range of issues concerning the NLC.

The table on the next page shows the responsibilities of the Branch Managers.

Managers are employed on fixed term performance based contracts. The remuneration paid to managers is performance based and indexed against public and private sector surveys.

The NLC has a number of additional management committees.

>>FIGURE 35: Management Reporting Structure for 2003/2004



>>TABLE 31: Manager Responsibilities

| Manager | Responsibilities |
|---|---|
| George Kessarlis Manager Corporate Services | Finance, Human Resources, Information Technology & Communications, Records, Reception, Property and Library Services. |
| Edna Barolits Manager Regional Development | Regional Offices, Permit Management, Local Government Services and Regional Councils. |
| David Mearns Manager Anthropology | Anthropology, GIS, Land Interest Reference and Logistics. |
| Ron Levy Principal Legal Advisor | Legal Advice. |
| John Sheldon Senior Policy Advisor | Policy Advice, Media, Public Relations and Secretariat. |
| Paul Josif Manager, Land & Sea Management | Land and Sea Management. |
| Mark Walker/Justine Yanner Manager Mining & Major Projects | Mining and Major Projects. |

AUDIT COMMITTEE

An Audit Committee comprised of the Chairman, Chief Executive Officer, Regional Development Manager, Senior Policy Officer, Westpac Representative Bob Timmer and Stanton and Partners representative Shane Smith, meets regularly to review the NLCs internal audit control measures.

The Audit Committee plays an important role in the governance framework of the organisation. During the reporting period, the NLC worked to establish a set of clearly defined responsibilities for the Committee. The representation external members on the Committee was increased from one member to two members in order to increase the level of expertise and independence of the Committee.

At the most recent meeting of the audit committee, the members received a briefing from the Australian National Audit Office on best practice in public sector audit committees. The Committee has the authority to request

information from the management committee, employees of the NLC and internal auditors.

The NLC also developed clear performance measures for each of its output groups and a structured process of reporting against these measures.

In the 2005/2006 reporting year the Committee will take on responsibility for monitoring the NLC's financial and operational performance, key priorities and progress in achieving the outcomes of the NLC.

A key objective for the Committee in the next reporting period will be the development of the NLC's Finance Risk Management Plan. The Plan will assist the NLC to develop a risk management culture within the NLC.

LAND CLAIM COMMITTEE

The Land Claim Committee comprises Lawyers, Anthropologists, Regional and Logistics staff. The primary role of the Committee is to ensure that the NLC has a coordinated approach to the preparation of land claim hearings.

The Committee also met twice during the reporting period to advise the management committee on strategies and directions for the resolution of outstanding land claims.

NATIVE TITLE COMMITTEE

The Native Title Committee comprises Lawyers, Anthropologists, Finance and Mining staff. The Committee is co-ordinated by the NLC's Native Title Compliance Officer.

The Committee met six times during the reporting period to advise the Management Committee in relation to the NLC's operational performance against its native title functions.

RISK MANAGEMENT

During the year, the NLC developed a comprehensive operational risk management plan. The plan will be implemented in the next reporting period with training for senior managers planned for late 2005. The NLC was assisted in developing its Risk Management Plan by expert consultants. The NLC's Audit Committee will develop a Finance Risk Management Plan in the next reporting period.

CORPORATE PLANNING

During the reporting period, the NLC developed a new strategic, corporate and operational plan for its ALRA and NTA functions.

As part of the consultation process, management and staff considered the issues involved in the internal and external operating environment, feedback from Aboriginal people and stakeholders and future directions for the NLC.

A range of strategies were developed to assist the Land Council achieve these objectives.

The new plans will continue to be monitored over the next reporting period.

The NLC has also developed a framework of reporting to link each output to the Strategic and Operational Plans. The framework relies on clear outcomes and key performance measures for each output group.

WORKFORCE PLANNING

The number of employees of the NLC as at 30 June 2005 was 138.

The workforce comprises 99 ABA funded positions, 18 positions funded under the NLC's native title grant and 21 positions funded by short-term external grants.

The total number of staff increased by 7 from the 2004/2005 financial year.

During the reporting period, there were 31 resignations/terminations. 24 new employees were recruited. Staff turnover has occurred at similar levels for a number of years with 21 resignations/terminations in 2003/2004, 32 in 2002/2003.

A combination of salary related matters impacted significantly on the NLC during the reporting period. They included substantial cuts to the NLC's salaries allocation and the unexpected withdrawal of additional salary funding at the beginning of the reporting period to manage the impact of changes to Fringe Benefits Tax laws. The additional funding was not provided until the end of the reporting period in May 2005. In order to manage the risk of overspending on fixed salary costs during the year, the NLC implemented measures to reduce expenditure. These measures included not filling vacant positions when they became vacant during the reporting period.



Reduced staffing has impacted severely on the remaining staff and across all output groups, particularly given the abnormally high level of activity generated by major projects such as the Parks and Reserves negotiations and Trans-Territory pipeline.

The high percentage of staff employed under short term grant funding is a cause of concern to the NLC and is contributing to staff turnover.

All NLC staff excluding Senior Managers are employed under an Enterprise Agreement. The current EA expires in November 2005. A negotiation committee has been established in preparation for negotiation of a new agreement. Senior Managers are employed on performance-based contracts.

There are no staff employed on Australian Workplace Agreements.

The NLC continues to exceed Australian averages for Aboriginal employment. 45% of the NLC staff are Indigenous compared with the Australian average across the public sector of 2.4%.

The NLC has a well developed professional development program for Aboriginal staff and employs three Aboriginal cadets.

The key priorities for the NLC in relation to workforce planning are:

- The improvement of the staff induction program
- The development of on-going professional development program
- The development of strategies to reduce the reliance of the NLC on short term salaries funding.

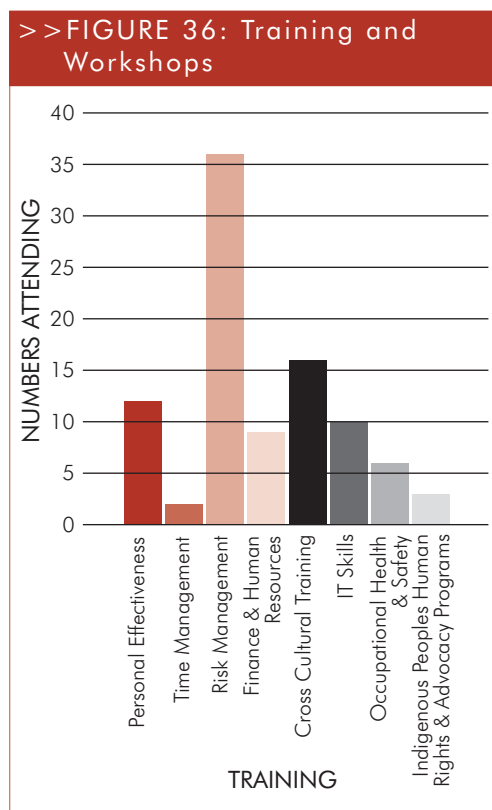
PROFESSIONAL DEVELOPMENT

The NLC recognises that the dedication and expertise of the people we employ is critical to achieving results for the Aboriginal people of its region. The NLC must attract and develop committed skilled staff as the basis of a strong foundation of knowledge.

This is the third consecutive year of DEWR Step Funding for Internal Training and Development. Major focus areas have included office administration and IT skills development and project management.

Throughout the year, the NLC continued to address skills gaps by providing staff with opportunities to undertake on the job training, formal course attendance, job rotation and higher duties.

Staff attended a wide variety of professional development activities. The graph at right indicates the range of training and other workshops attended.



The NLC also continued its focus on the professional development of Senior Managers with all managers attending training on Occupational Health and Safety requirements and the majority attending a workshop on the identification and prevention of workplace



bullying. Managers Workshops were conducted by Comcare and the Northern Territory Anti-Discrimination Commission

A substantial Induction Program was developed by the NLC in 2002/3. The program covered 4WD training, First Aid and Survival Skills together with a comprehensive series of lectures on the specialized work of the NLC. During the reporting period, the NLC aimed to have all new staff complete the Induction. However, higher than usual turnover meant that not all new staff were able to participate in the program. The NLC was without a Human Resources Manager for a substantial period.

REVIEW OF OCCUPATIONAL HEALTH AND SAFETY

The NLC is committed to ensuring that all reasonable steps are taken to provide a healthy and safe workplace. The work of the NLC creates many occupational health and safety challenges with employees and clients travelling long distances and working in remote parts of Australia. The NLC has a widely dispersed workforce subject to higher than average risks.

The NLC pays an annual premium to the Commonwealth Government's Workers Compensation Insurer, Comcare, to provide insurance cover to employees injured at work or on duty.

During the reporting period, Comcare conducted an audit of the NLC's OH&S Policies and Procedures. The results of the audit led to the restructuring of the OH&S Committee to enhance staff representation and better coordinate incident notifications. Staff representatives were nominated to the Committee.

The restructured committee has undertaken a major review of the NLC's OH&S systems. The Committee will oversight the implementation of the system in the next reporting period.

Employee Assistance Services continues to provide all NLC staff and their dependants with confidential counselling services on request. EAS provides a 24 hour toll free telephone line for remote employees.

The process of updating OH&S skills has commenced with over 25% of staff participating in relevant training during the year. Training included First Aid, Safe Driving and Survival Skills as well as OH&S Essentials for Managers and Supervisors and staff training in making the most of the OH&S Committee.

During the reporting period the NLC notified 1 incident to Comcare and 4 workers compensation claims were logged under Section 68 of the Occupation Health and Safety Act 1991.

REVIEW OF OPERATIONAL PERFORMANCE

This year, the NLC conducted a review of its operational performance across each of its key business areas. The data collected will be used to benchmark future performance. The NLC also developed a series of key performance measures for the organization and for each of its outcomes and outputs.

In the upcoming year, the NLC will work to ensure its data collection processes are properly aligned with its key performance measures.

PERFORMANCE AGAINST THE COMMONWEALTH DISABILITY STRATEGY

Throughout the reporting period, the NLC remained committed to the Commonwealth Government's 5 Key Principles as outlined in the Commonwealth Disability Strategy.

Very significant numbers of NLC clients' have disabilities or serious medical conditions. The NLC has modified its premises to increase accessibility and makes particular efforts to accommodate the special needs of its clients.



Since 2001, NLC have operated under award conditions that specify supported salary payments for employees with a disability. These conditions cover assessment of capacity, pay rates and probation periods as well as workplace and working hour adjustments.

INFORMATION MANAGEMENT

The NLC has a statutory responsibility to maintain registers of traditional owners for land within the Land Council's region.

The NLC's Land Interest Reference is securely stored in fireproof safes. It is continuously updated. The LIR has now been continuously updated for almost 30 years. It is valuable resource. The NLC will need to take steps to preserve fragile, older material in the LIR and reduce access to the original documents. For this reason, the NLC is considering the options available to digitalize the data.

>> ACCOUNTABILITY

ETHICAL STANDARDS AND ACCOUNTABILITY

NLC has a Code of Conduct that all staff undertake to abide by at the commencement of their employment. The NLCs induction program ensures that new staff are familiar with their obligations.

During the reporting period, there were two complaints against NLC staff alleging breaches of the Code of Conduct. In each case, an investigation was conducted into the allegations and they were found to be unsubstantiated.

EXTERNAL SCRUTINY OF THE LAND COUNCIL

A judicial review of the decision of the NLC in relation to the longstanding Kamu Malak Malak dispute was heard by the Federal Court during the reporting period. The court has reserved its decision.

OTHER SCRUTINY

There were no reports into the NLC's operations by the Australian National Audit Office, the Administrative Appeals Tribunal, the Commonwealth Ombudsman or the Privacy Commissioner.

CONSULTANCY PROCEDURES AND CONTRACT MANAGEMENT

The Land Council did not contract out any government activities (such as IT or payroll) during the reporting period.

ASSET MANAGEMENT

The NLC maintains an asset register in compliance with accepted accounting standards. Each year, an annual stocktake of assets is undertaken

