

Northern Land Council
Corporate Plan
2017/18 to 2020/21



CONTENTS

FOREWORD	1
1.0 INTRODUCTION 1.1 INTRODUCTORY STATEMENT	2
1.2 INTRODUCTION TO THE NORTHERN LAND COUNCIL.....	3
1.3 OUR LOCATIONS AND OFFICES	5
1.4 OUR STRUCTURE.....	6
2. PURPOSES	9
2.1 OUR VISION AND GUIDING VALUES	10
3. ENVIRONMENT 3.1 OUR OPERATING ENVIRONMENT	11
3.2 ENVIRONMENTAL SCAN	13
4. PERFORMANCE.....	16
5. CAPABILITY	22
6. RISK OVERSIGHT AND MANAGEMENT	24



FOREWORD

The Northern Land Council (NLC) has a proud history extending over four decades. Its genesis was as an agency to help Aboriginal people in the Top End engage with the Woodward Commission, established in 1973 to inquire into land rights in the Northern Territory.

The NLC became a Commonwealth statutory authority in January 1977 when the *Aboriginal Land Rights (Northern Territory) Act 1976* came into effect. Its roles and responsibilities have much expanded in the years since, and the NLC today is the largest Indigenous representative organisation in Australia, with more than 250 employees (nearly 60 per cent of Aboriginal or Torres Strait Islander descent).

Statutory reporting requirements have also increased over time, including the need, under the *Public Governance, Performance and Accountability Act 2013*, to implement the Corporate Plan.

The purpose of the plan is to provide information about the significant activities which the NLC will undertake over a period of four years, 2017/18 to 2020/21. The plan describes our purposes, what we will do to achieve those purposes and how we will know that we have achieved them.

The NLC is having to cope with an increasing workload in a climate of budget constraint, and the attainment of the goals laid out in this document will, to a large extent, depend on future budget provisions.

It should be noted, though, that the organisation is committed to achieving savings and efficiencies through a regime of rigorous management and financial controls, and improved systems (although, the installation of new systems such as for Information Technology and the distribution of royalties is itself dependent on funds being available).



1.0 INTRODUCTION

1.1 INTRODUCTORY STATEMENT

We, as the Accountable Authority of the Northern Land Council, present the 2017/2018 Northern Land Council Corporate Plan, which covers the financial years 2017/18 to 2020/21 (a period of four years), as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013*.



Joe Morrison

CHIEF EXECUTIVE OFFICER



Samuel Bush-Blanasi

CHAIRPERSON



1.2 INTRODUCTION TO THE NORTHERN LAND COUNCIL

The Northern Land Council (NLC) is an independent statutory authority of the Commonwealth, established pursuant to the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALRA), an Act of the Commonwealth Parliament.

Under the Act, we are responsible for assisting Aboriginal peoples in the Top End of the Northern Territory to acquire and manage their traditional lands and seas. Since the Act was passed, more than 50 percent of the land in the Northern Territory has become Aboriginal land, in addition to approximately 85 percent of the coastline.

A large proportion of the remaining land and seas are subject to ALRA and Native Title land claims.

The ALRA is a strong foundation on which to build social, cultural and economic growth for Traditional Owners.

The NLC's constituents are the Traditional Owners and Aboriginal residents within its jurisdiction. There are seven regions within the NLC's jurisdiction. The NLC constituency has about 36,000 Aboriginal residents, 80 percent of them living in regional and remote areas in about 200 communities ranging in size from small family outstations to communities with populations of about 3000 people. The majority of these people speak an Aboriginal language as their first language. Many are multi-lingual, and English is often a secondary language. Customary law is alive and vibrant and constitutes the primary rules by which people continue to conduct their lives.

The NLC is also the Native Title Representative Body (NTRB) pursuant to the *Native Title Act 1993* for the Northern Territory's northern region, covering approximately 605,819 square kilometres of land, including the Tiwi Islands and Groote Eylandt, the Ashmore and Cartier Islands Territory and the seas of the Northern Territory coast to the boundary of Australia's exclusive economic zone (200 nm)

As an NTRB under the *Native Title Act 1993*, the NLC's statutory functions are to:

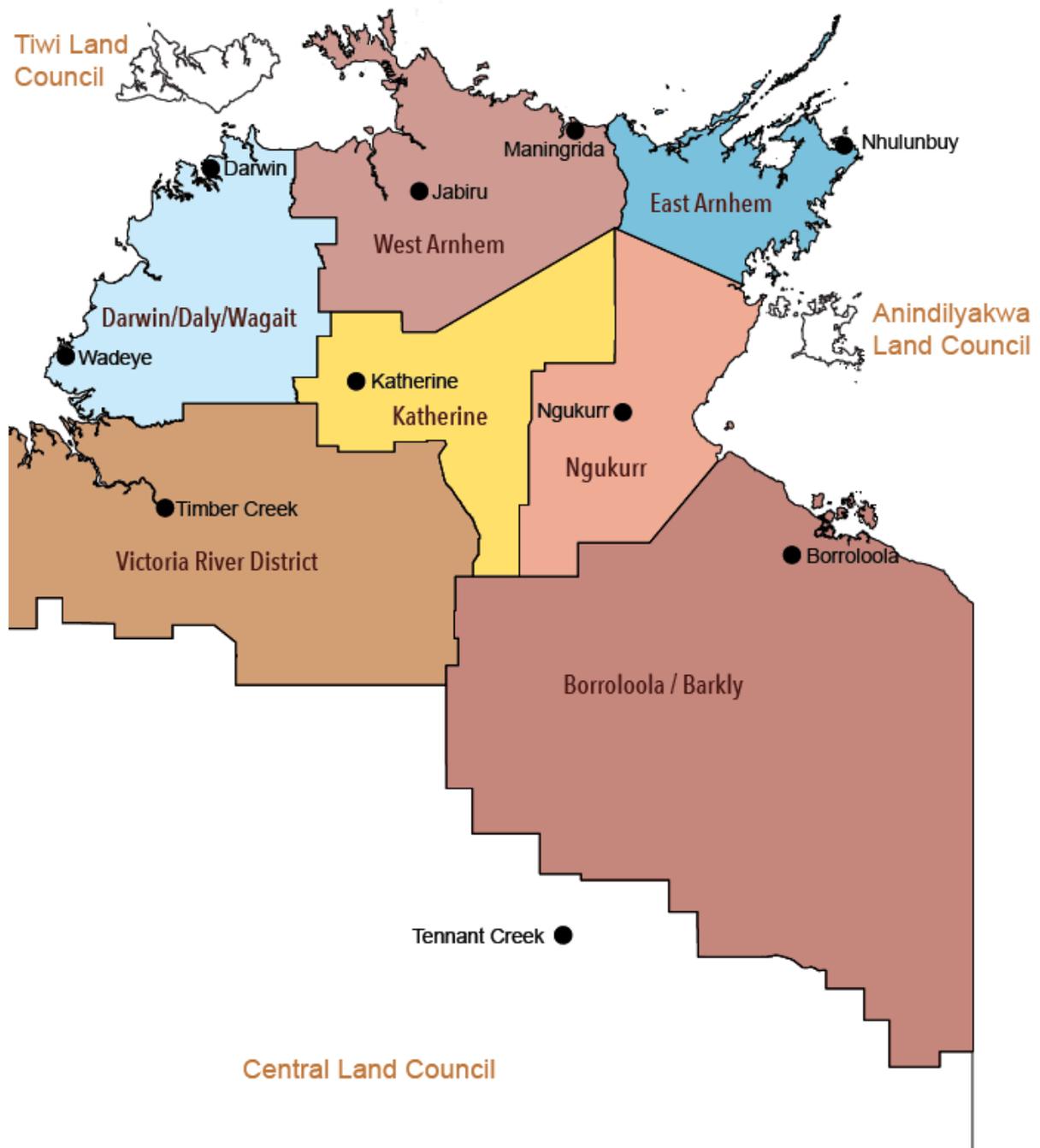
- facilitate and assist native title holders to make native title applications,
- respond to proposed future acts and negotiate agreements including Indigenous Land Use Agreements (ILUAs), and
- assist to resolve disputes between constituents about native title applications, future acts, ILUAs or other native title matters.



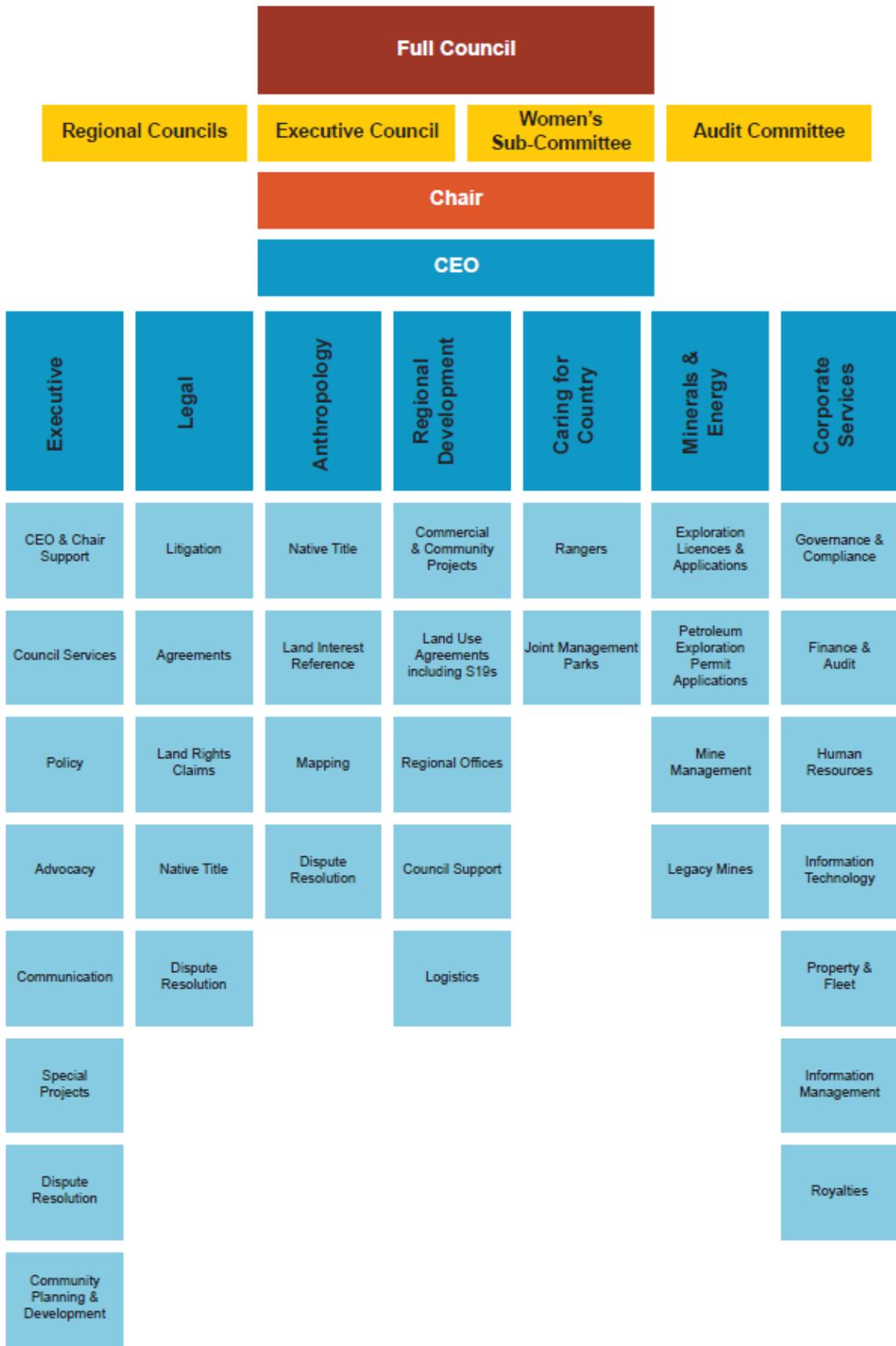
The NLC also has functions under the following legislation: the *Aboriginal Land Act (NT)*, *Cobourg Peninsular Aboriginal Land, Sanctuary and Marine Park Act 1996 (NT)*, *Environment Protection and Biodiversity Conservation Act 1999 (Cth)*, *Atomic Energy Act (Cth)*, *Water Act (NT)* *Kenbi Land Trust Act (NT)*, *Northern Territory Civil and Administrative Tribunal Act*, *Nitmiluk (Katherine Gorge) National Park Act 1989 (NT)*, *Northern Territory Aboriginal Sacred Sites Act 1989 (NT)*, *Pastoral Land Act 1992 (NT)*, *Special Purpose Leases Act 1953 (NT)* and the *Territory Parks and Wildlife Conservation Act 2006 (NT)*.



1.3 OUR LOCATIONS AND OFFICES



1.4 OUR STRUCTURE



The NLC's supreme governing body is the Full Council of the Northern Land Council, made up of 83 members; 78 Councilors are elected every three years from across the NLC's seven regions, and five women are co-opted to make the full complement of 83 members. The Chair and Deputy Chair are elected by the Full Council. The Council has also established a nine-member Executive Council and seven Regional Councils. The Executive Council comprises a member appointed from each of the seven regions, plus the Chair and Deputy Chair.

The Full Council represents the Aboriginal people within the NLC region. It shapes policy and strategic direction and, in accordance with the ALRA, approves agreements for the use of Aboriginal land on behalf of Traditional Owners.

The Full Council has delegated some decision-making powers to the Executive Council and to the seven Regional Councils.

The Executive Council appoints the Chief Executive Officer who has day-to-day responsibility for the NLC's administration and operations. The CEO works closely with the Chair and the Executive Council and is responsible for implementing Full Council decisions, policies and strategies, and enforcing sound corporate governance.

The NLC's operations are managed by seven branches:

- EXECUTIVE: provides policy, communications advice and strategic support to the CEO and Chair, and to the NLC's elected arms.
- LEGAL: provides legal advice to the administrative and elected arms, and to Traditional Owners and conducts land rights and Native Title Claims and negotiates commercial and other agreements
- ANTHROPOLOGY: identifies and consults with Traditional Owners in order to secure and protect their rights in land and also takes instructions from Traditional Aboriginal Owners concerning the disbursement of royalty payments accruing through various land use agreements, in accordance with functions defined in the "Acts".
- REGIONAL DEVELOPMENT: oversees the NLC's network of nine regional offices beyond Darwin and provides logistics support for consultations required under the ALRA and Native Title Act.
- CARING FOR COUNTRY: hosts and provides administrative support to land and sea Ranger Groups, provides policy support and advice on land and sea management issues and supports joint management of National Parks.



- **MINERALS & ENERGY:** provides advice to enable Aboriginal people to understand the nature and purpose of mineral and petroleum resource development proposals on their lands and manage potential environmental impacts.
- **CORPORATE SERVICES:** delivers financial, information technology, human resource, information management and administrative support to the other branches, including fleet and facilities management. Corporate Services is also responsible for corporate compliance under the *Public Governance, Performance and Accountability Act* and the *Public Interest Disclosure Act*.

Two specialist committees are included in the NLC structure:

- **The Women's Sub-Committee:** a sub-committee of the Full Council to facilitate discussions, priorities and issues relevant to Aboriginal women in the region.
- **The Audit Committee:** comprises three independent members (including an independent Chairperson) and two NLC council representatives. The committee oversees good governance and the management of risk.

Our relationships with government and non- government organisations are important for delivering our goals and objectives. Some of these key stakeholders include:

- Australian Government;
- Northern Territory Government;
- Local Government Shires;
- Industries: Mineral, Petroleum, Pastoral, Tourism and Fishing;
- Businesses;
- Non-Government Organisations.



2. PURPOSES

The purpose of the NLC is to enable and assist Indigenous people within the NLC region to acquire and manage land and seas and promote economic and community development.



2.1 OUR VISION AND GUIDING VALUES

OUR VISION

A Territory in which the rights and responsibilities of every Traditional Owner are recognised and in which Aboriginal people benefit economically, socially and culturally from the secure possession of their lands, seas and intellectual property.

OUR GUIDING VALUES

We will:

- Consult with and act with the informed consent of Traditional Owners in accordance with the Land Rights Act
- Communicate clearly with Aboriginal people, taking into account the linguistic diversity of the region
- Respect Aboriginal law and tradition
- Be responsive to Aboriginal peoples' needs and effectively advocate for their interests
- Be open, transparent and accountable
- Behave in a manner that is appropriate and sensitive to cultural differences
- Act with integrity, honesty and fairness
- Uphold the principles and values of social justice
- Treat our stakeholders with respect



3. ENVIRONMENT

3.1 OUR OPERATING ENVIRONMENT

Geographic

- The NLC operates across an area of approximately 605,819 square kilometres, plus (for NTRB purposes) the surrounding seas including the Tiwi Islands and Groote Eylandt;
- This area takes in a wide variety of landscapes from desert country to vast wetland systems, tropical savannah and coastal regions;
- Substantial parts of the region are poorly served in terms of roads and communications infrastructure;
- The area of operation is within the wet-dry tropics of Australia and, about 93% of the region's annual rainfall occurs in the wet season (from November to April), when many of the constituent populations are accessible only by charter flights;
- The constituents live in about 200 scattered communities ranging in size from small family groups to settlements of up to 3,000 people.

The environment has a substantial impact on the work of the NLC, affecting travel and communications, and the costs of providing core services remotely can be disproportionate to servicing urban settings.

The challenging and remote geography impacts the costs of:

- Travel & accommodation;
- Communications, including telephone and internet services;
- Housing and accommodation for regional and visiting staff;
- Meetings and consultation with Traditional Owners in remote places with scattered populations; and
- Capital and recurring motor vehicle expenses, and wear and tear on these vehicles.

Social, Economic and Regulatory

- Over the past few years, various government initiatives - such as the Commonwealth Intervention, the introduction of the super shires and the White Paper on Developing Northern Australia - have led to a growth of the NLC's core functions, especially in increasing land use agreements;
- The demanding policy environment brought about by successive governments contributes to additional workloads for NLC staff and the Council;



- Extensive mining activity leads to pressure on staff resources for dealing with large scale and highly technical projects such as hydraulic fracturing and major infrastructure projects;
- Since the passing of ALRA, approximately 50 percent of land in the Northern Territory has become Aboriginal freehold land in addition to 85 percent of the coastline;
- A large proportion of the remaining land mass is subject to Native Title.

All the above matters impact significantly on the NLC's resources (human and financial resources, in particular) required to meet increasing demands for processing third parties as well as advocating for the interests of the NLC constituents.

As the volume of core work increases, there is a corresponding need for increased capacity to meet demand. While recent efficiency initiatives have delivered savings, increased funding is needed to meet the growing demand for services; otherwise, the efficiency of those services may be compromised.



3.2 ENVIRONMENTAL SCAN

An environmental scan using an examination of Strengths, Weaknesses, Opportunities and Threats produces the following table.

STRENGTHS (NLC has full or partial control of these factors)	WEAKNESSES (NLC has full or partial control of these factors)
Change Management continues to create efficiencies and strengthen governance. However, each stage of the Change Management process is slow because of the need to prioritise the budget to the more urgent demands.	Capacity-building across the organisation is required, but restricted budgets have meant that this is not prioritised as highly as it could be.
Improvement of Financial Management systems has allowed management to better control the NLC's finances and assets and find efficiency dividends.	Reform of royalty systems continues – but, without a significant injection of funds, improvement is limited by capacity.
Regional Offices can be further developed, to allow a devolution of systems and services to the regions where activities take place and Aboriginal people live.	Not enough staff, and not enough staff of the required skill set. Inefficient and outdated infrastructure – these factors are a funding issue as well as one of the availability of skilled staff.
A strong and engaged Full Council, Regional Councils, and Executive Council structure means that policy and strategy is derived from the constituents upwards.	Not fully funded to react to the broad expectations of Traditional Owners – the NLC has only partial control because the annual budget is beyond its control, while prioritisation of the budget leads to strain in other areas of NLC operations. The move to a 3 year budget cycle from 2017/18 onwards for ABA funds will partially assist in managing budget shortfalls.



<p>The NLC has a proven consultation process for obtaining free, prior and informed consent of Traditional Owners. This can be further developed but needs additional funding to enhance capacity to reinforce the stress-points caused by increasing demand.</p>	<p>Succession planning and mentorship requires attention.</p>
<p>Successful ranger programs and Land and Sea Management initiatives can enhance the NLC's presence in communities and the delivery of better services, including improving the relationship between the community, Traditional Owners and the NLC.</p>	<p>Demand for rangers outstrips the available funds to increase the numbers of rangers. Outdated technology and other equipment. Updates are provided as resources become available.</p>
<p>OPPORTUNITIES (NLC has little or no control over these factors)</p>	<p>THREATS (NLC has little or no control over these factors)</p>
<p>A Community Planning and Development Unit can facilitate localised development for Traditional Owners and the affected community.</p>	<p>Funding for on-going operations may not be sufficient to meet already growing demands from communities.</p>
<p>Change in demographics – increasing Aboriginal population could lead to increasing opportunities for Aboriginal people, but will certainly lead to increased demand for services.</p>	<p>Non-viability of some Shires and Aboriginal Corporations will mean a call on non-core NLC services.</p>
<p>Younger people's expectations about education, employment, and economic opportunities, as well as improvements to social and health services – beyond the control of the</p>	<p>Third party developments and public policy such as the Northern Development White Paper. Impact of mineral and petroleum development and production in particular, and</p>



NLC, but could lead to a positive demand for NLC services.

projects identified as a major projects status.

The above factors have been considered when formulating strategies.



4. PERFORMANCE

The NLC is two years into a wide-ranging reform agenda covering almost all aspects of the governance and administration of the council. In broad terms this includes:

- (i) The operations of Council – initiatives to monitor and assess councillors performance, manage complaints and conduct stakeholder survey have been initiated
- (ii) Administration and services delivery – Implementing extensive reform agenda across all administrative functions, with progress having been achieved in corporate planning and reporting, financial reporting, internal governance through the operations of an Audit Committee, systems and process upgrades in human resources, records management and information communication technology (ICT)
- (iii) Planning, performance and engagement – The introduction of a planning framework consisting of a strategic plan, corporate plan and branch business plans

The introduction of the reform agenda will assist in NLC's ability to measure and report performance result. More importantly, the NLC Corporate Plan will move towards reporting on impact rather than output in future years.

The Performance and Measurement Framework of the NLC over the next four years is laid out in the table below.

The detailed Goals, Objectives and Strategies of the NLC's Strategic Plan have been categorised into five long term priorities:-

1. The prosecution of the NLC's ALRA and NTA responsibilities to acquire and protect Aboriginal property rights;
2. Facilitating Community Development so as to protect and develop Aboriginal use of land and seas;
3. Maintaining and continuing to strengthen Ranger groups on country to further protect and maintain Aboriginal land and seas;
4. Develop and maintain a comprehensive communications system to facilitate the provision of information and advocacy of Traditional Owners' interests; and
5. Continually improving the NLC's policies and procedures to achieve efficiency and best practice governance.



The delivery strategies and measurements of performance for the future years 2017/18 to 2020/21 are subject to change depending on circumstances and the environment at the time, and will likely change to incorporate actual performance in past years and any new factors emerging when the corporate plan for those years are being prepared.

Prosecute ALRA and NTA responsibilities to acquire and protect Aboriginal property rights.			
Delivery Strategy:			
2017/18 to 2020/21			
Resource the Legal, Anthropology and Regional Development Branches (subject to budget) to provide capacity in Human Resources and systems so that legislative responsibilities can be prosecuted efficiently and in a timely manner.			
Update GIS Mapping capabilities.			
Through the management of available capacity, continue the prosecution of Land Rights claims, and the court schedule of Native Title claims.			
Adequately resource the Anthropology Branch to identify and prioritise protracted issues and areas of dispute and facilitate effective mediation and conciliation measures in order of need.			
Through the management of available capacity, consult with Traditional Owners and negotiate Land Use Agreements and other commercial agreements.			
Provide policy and advocacy for cultural integrity and protection of intellectual and cultural rights.			
Measurement:			
2017/18	2018/19	2019/20	2020/21
<ul style="list-style-type: none"> • Legal and Anthropology Branch vacant positions filled in accordance with the budget for the year • 10% of remaining ALRA land claims finalised • Native Title claims 	<ul style="list-style-type: none"> • Legal and Anthropology Branch vacant positions filled in accordance with the budget for the year • finalisation or substantial progress of intertidal zone and/or beds and banks land 	<ul style="list-style-type: none"> • Legal and Anthropology Branch vacant positions filled in accordance with the budget for the year • finalisation of all ALRA claims including beds and banks claims 	<ul style="list-style-type: none"> • Legal and Anthropology Branch vacant positions filled in accordance with the budget for the year • Native Title claims completed in accordance with Court schedule



<p>completed in accordance with Court schedule</p> <ul style="list-style-type: none"> • 50 agreements per calendar year 	<p>claims by 30 June 2019</p> <ul style="list-style-type: none"> • Native Title claims completed in accordance with Court schedule • 50 agreements per calendar year 	<ul style="list-style-type: none"> • Native Title claims completed in accordance with Court schedule • 50 agreements per calendar year 	<ul style="list-style-type: none"> • 50 agreements per calendar year
--	--	--	---

Facilitate Community Development so as to protect and develop Aboriginal use of land and seas			
Delivery Strategy:			
2017/18 to 2020/21			
<p>Create a Community Planning and Development Unit to assist and facilitate Traditional Owners' access to resources to economically and socially develop their own groups, and to support Aboriginal Corporations and Associations in their development.</p> <p>Develop and promote an "economic prospectus" for the region, identifying the demand, capability and opportunities for Traditional Owners to participate in economic development on their lands.</p>			
Measurement:			
2017/18	2018/19	2019/20	2020/21
<ul style="list-style-type: none"> • Community Planning and Development Unit is in place, functioning, and being implemented in three of the NLC's regions subject to Traditional Owners opting to participate. • Develop CP&D Monitoring and Evaluation Strategy. 	<ul style="list-style-type: none"> • Community Planning and Development Unit is being implemented in five of the NLC's regions subject to Traditional Owners opting to participate. • Complete annual CP&D monitoring report. • Complete the preparation of 	<ul style="list-style-type: none"> • Community Planning and Development Unit is being implemented in all seven of the NLC's regions subject to Traditional Owners opting to participate. • Complete annual CP&D monitoring report • Commence marketing of 	<ul style="list-style-type: none"> • Review of CP&D Program outcomes completed with recommended improvements and scope. • Continue marketing of the economic development opportunities on Aboriginal lands to third parties.



<ul style="list-style-type: none"> • Scope and commence the preparation of an economic prospectus for the test region. 	the economic prospectus for the test region	the economic development opportunities on Aboriginal lands to third parties;	
---	---	--	--

Maintain and continue to strengthen Ranger groups on country to further protect and maintain Aboriginal land and seas			
Delivery Strategy:			
2017/18 to 2020/21			
Strengthen the capabilities of Ranger Groups through training and capacity building. Continual improvement of operations of Ranger groups, management activities of IPAs and jointly managed parks.			
Measurement:			
2017/18	2018/19	2019/20	2020/21
<ul style="list-style-type: none"> • Subject to funding, Caring for Country Branch review and plans endorsed and implemented commences • Capabilities of Ranger groups and management of IPAs and managed parks meet best practice 	<ul style="list-style-type: none"> • Capabilities of Ranger groups and management of IPAs and managed parks meet best practice 	<ul style="list-style-type: none"> • Capabilities of Ranger groups and management of IPAs and managed parks meet best practice 	<ul style="list-style-type: none"> • Capabilities of Ranger groups and management of IPAs and managed parks meet best practice



Develop and maintain a comprehensive communications system to facilitate the provision of information for and provision of advocacy of Traditional Owners' interests

Ensure rangers and IPAs have effective local governance.

Delivery Strategy:

2017/18 to 2020/21

Develop and implement a communications and public relations plan.

Complete rebuild of NLC internet and intranet.

Recruit for new media position.

Organise events, and prepare resources and publications, publish the Land Rights News quarterly; develop a program of media releases and press conferences around issues of the day.

Maintain the alliance with Aboriginal Peak Organisations Northern Territory (APO NT).

Regularly liaise with Aboriginal Areas Protection Authority and other institutions.

Measurement:

2017/18	2018/19	2019/20	2020/21
<ul style="list-style-type: none"> Land Rights News published on time. Press releases or speeches at forums are published, advocating Aboriginal rights and the role of the NLC. Finalise the NLC Communications Strategy 	<ul style="list-style-type: none"> Land Rights News published on time. Press releases or speeches at forums are published advocating Aboriginal rights and the role of the NLC. 	<ul style="list-style-type: none"> Land Rights News published on time. Press releases or speeches at forums are published advocating Aboriginal rights and the role of the NLC. 	<ul style="list-style-type: none"> Land Rights News published on time. Press releases or speeches at forums are published advocating Aboriginal rights and the role of the NLC.

Continuously improving the NLC's Policies and Procedures systems for more efficiency and best practice governance.

Delivery Strategy:



2017/18 to 2020/21

Develop, implement, and continually improve policies and procedures that will strengthen the governance and management of the organisation, so that NLC operates in accordance with best practice principles and meets all statutory reporting obligations in order to provide its Aboriginal constituents with responsive, transparent governance and administration.

Take account of and implement recommendations of ANAO Performance Audit: (a) develop and maintain an action plan to monitor the progress of reform initiatives and projects, and (b) develop a communications strategy to inform staff of changes.

Measurement:

2017/18	2018/19	2019/20	2020/21
<ul style="list-style-type: none"> Engagement of consultants to conduct council and stakeholders' satisfaction surveys. Previous year's Financial Statements are submitted and published on time. Policies and procedures are implemented. 	<ul style="list-style-type: none"> Implement improvements based on consultants' surveys. All external and internal audit recommended actions are completed. All filings are completed on time. Policies and procedures are reviewed annually. 	<ul style="list-style-type: none"> Continue to monitor outcomes and maintain improvements. All external and internal audit recommended actions are completed. All filings are completed on time. Policies and Procedures are reviewed annually. 	<ul style="list-style-type: none"> Continue to monitor outcomes and maintain improvements. All external and internal audit recommended actions are completed. All filings are completed on time. Policies and Procedures are reviewed annually.



5. CAPABILITY

The long term strategies that the NLC will implement in each of the four years covered by this corporate plan have been detailed in the previous chapter.

The NLC's capability to deliver outcomes is based on the following resources:

- Human Resources;
- Information and Communications Technology;
- Budget;
- Capital and infrastructure resources.

Human Resources

The NLC's human resources capabilities rely on hard working and experienced staff. The NLC continues to be under-resourced in terms of personnel numbers (capacity) as well as the skills and abilities required (capability). While the latter can be met through appropriate training and upskilling, the former depends on the annual budget from government.

In order to provide the human resources required, the NLC will need to fill all identified vacancies, access staff with more experience and required skills, program professional training and development, and specifically attract and mentor professionally qualified Aboriginal people.

Information and Communications Technology

The NLC continues to deal with the issue of ageing equipment and unsuitable software. In 2016/17 the NLC commissioned a review by EY Consulting to identify information, communication and technology (ICT) solutions. The recommendations from the report provide a roadmap for the establishment of modern, efficient and capable ICT solutions for the NLC.

The challenge over the next four years is to ensure that the needs of the organisation for specialist software such as GIS mapping software and specially configured Enterprise Resource Planning software are met in order to implement its strategies. This will also require regular upgrading of hardware and other systems in order to maintain an efficient information technology resource to support the increasingly digital workload.

Budgetary Resources

The NLC's funding is derived mainly from the Aboriginals Benefit Account (ABA), Native Title and Working on Country funding streams, as well as some other grant-funded activities.



While ABA funding has not increased in real terms, the activity arising from the number of Land Use Agreements and land/native title claims being administered has substantially increased over the past six years.

The NLC therefore continues to face constraints from the increasing activity, as against the annual ABA funds. The risk if these budgetary resource requirements are not met is that the implementation of some strategies will be delayed.

Similar, the ability to address Native Title backlogs is severely restricted without the appropriate level of funding.

Capital and Infrastructure Resources

Due to the geographic environment in which the NLC operates there is a requirement for significant investment in motor vehicles. Motor vehicles are used mostly off-road and their values depreciate fast.

There is a need to acquire more vehicles and replace them regularly in order for the NLC to increase its work capacity. The NLC's strategy is to mitigate cost by replacing vehicles regularly before their trade-in values depreciate.



6. RISK OVERSIGHT AND MANAGEMENT

The organisation's risk oversight and management system is designed to provide appropriate information to the Accountable Authority at appropriate times.

The NLC's risk oversight and management system is based on a risk management plan and risk-mitigation strategies, including consideration of:-

- Risk avoidance (e.g. avoidance of the activity that gives rise to the risk).
- Risk transfer (e.g. insurance).
- Risk mitigation (limit of the activity).
- Monitoring of identified risks and how these are being handled on a regular basis.
- Ensuring identified risks are written into the job descriptions of relevant staff, clearly setting out responsibility and accountability.

A key part of the risk management strategies is the incorporation of strong financial and management controls as part of the financial policies and procedures, including authorised delegations and computer controlled procurement and payment policies.

The NLC's Audit Committee has oversight of risk management. The Audit Committee has a majority of independent members and meets at least four times a year. As part of regular reviews, the Audit Committee will consider whether there are risks additional to those in the register that need to be assessed and managed, and whether existing strategies to manage risk need to be modified.

The Audit Committee also has oversight of financial management and compliance with statutory reporting responsibilities.



The NLC's Internal Audit Charter ensures that the Internal Audit function will be contracted to an independent public accounting firm, independent of management. The scope of the Internal Auditor will be to play an active role in:-

- Developing and maintaining a culture of accountability;
- Facilitating the integration of risk-management into day-to-day business activities and processes; and
- Promoting a culture of cost-effectiveness and self-assessment.

The scope of internal auditing activity includes, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management and internal controls, as well as the quality of performance in carrying out assigned responsibilities to achieve the NLC's goals and objectives.

The Audit Committee will report to the Executive Council once a quarter.

