

NLC Change Management Plan (ANAO Report)

1 - Governance

Area 1.1 - Executive Council						
Action	Status	Target dates	Progress to date	Priority	Budget	Officer
Develop and Review Executive Council governance.	The Executive Council is working to improve its role, function and delegations under both the <i>Aboriginal Land Rights (NT) Act 1976 (ALRA)</i> and <i>Public Governance, Performance and Accountability Act 2013 (PGPA Act)</i> .	30 August 2015	Tailored, appropriate training and regular sessions will assist with this undertaking by the Executive Council. Scoping will be undertaken by end July 2015. Appropriate and cost effective Executive Council Governance training will be rolled out by 30 August 2015.	High	Within existing resources	Senior Policy Advisor
	The 'Council Handbook' is a guide to Governance matters for the Full, Executive and Regional Councils.	14 - 19 June 2015	Updating the existing sections of the Council Handbook has commenced to include: <ul style="list-style-type: none"> • Code of conduct • Meeting requirements • Behavioural and other expectations • Roles and responsibilities The updated Handbook will be presented to Executive in late 2015 . Re-drafting and endorsement will be considered after the Executive Council has provided feedback.	High		
	Policies and Procedures will set the foundation of good sound governance for Councillors and	Completed	Relevant Policies completed include: <ul style="list-style-type: none"> • Conflict of interest register 	High		

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	employees.		<ul style="list-style-type: none"> • Gifts and benefits register • Boards and committees register. <p>Draft policies are currently being considered by the NLC leadership and Executive members.</p> <p>A new policies and procedures handbook will be established aligned with new and existing legislative responsibilities.</p> <p>A list of prioritised policies will be fully endorsed by the Executive Council by 30th June 2015.</p>			
	Declaration of Conflicts of Interest is an integral part of accountability and transparency.	Completed	Declaration of conflicts of interest (real, perceived or other) has been adopted as a standing agenda item for every Full, Executive and Regional Council meeting since February 2015.	High		
Executive Council to be provided with necessary resources and information.	The Executive Council should have sufficient time to consider matters before making a decision.	Completed	As of February 2015 Executive Council meeting agendas are forwarded at least one week prior to meetings to allow Members sufficient time for feedback and input. This provision is waived only when meetings are: <ul style="list-style-type: none"> • Urgent; • Specific to a particular outcome or issue; or • The matter is confidential. • 	High	Within existing resources - further need will be scoped.	Senior Policy Advisor
	Where particular legal expertise is required it will be	Completed	Complete. Principal Legal Officer (PLO) attends all meetings to monitor and ensure	Medium to High		

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	<p>provided and available.</p> <p>High level legal expertise should be available to the Executive to assist with deliberations.</p>		<p>compliance.</p>		
	<p>Financial information should be sufficient, concise and appropriate for consideration by Executive members.</p>	June 2015	<p>Chief Financial Officer (CFO) will present detailed financial reports to each Executive meeting in a suitable format (recognising any language or other barriers and tailor these to members' needs).</p> <p>Changes to financial reporting have been trialled since February. The NLC will analyse the changes and modify as required.</p>	Medium	
	<p>Executive Council concerns, directions and resolutions are recorded and actioned by staff in a timely manner.</p>	Completed Ongoing	<p>Since January 2015, Executive Council Minutes now show both passed Resolutions and also provide an Action Table to track resolutions and other matters. This document remains on-going until matters are satisfactorily completed.</p>	High	
Executive Council provided with appropriate professional development.	<p>Training will be provided as part of the induction when an Executive Council is elected, including <i>PGPA Act</i> training.</p>	November 2016	<p>Appropriate and cost effective Executive Council governance training will be rolled out by August 2015. This will inform future Executive Council training needs by the next election in November 2016.</p>	Medium	Within existing resources - further need will be scoped.
	<p>Any targeted training will be provided as required or requested.</p>	Completed	<p>Training is currently being offered and accepted as requested by the Executive Council.</p>	Medium	
Review Executive	The Executive Council should	June 2015	A confidential 'group performance' survey	High	Within

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Council performance.	have the required tools to understand and analyse their performance.		<p>has been developed to provide independent feedback on the performance of Executive Council.</p> <p>The survey was distributed to Executive Council members during 171st Executive Meeting on Friday 5 June.</p> <p>An analysis will be undertaken in coming weeks by the Senior Policy Advisor once feedback re content received.</p>		existing resources	
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Area 1.2 - Full Council						
Action	Status	Target dates	Progress to date	Priority	Budget	Officer
Develop and review Full Council governance	The 'Council Handbook' is a guide to Governance matters for the Full, Executive and Regional Council.	14-19 June 2015	<p>Update of Council Handbook has commenced to incorporate:</p> <ul style="list-style-type: none"> Code of conduct Meeting requirements Behavioural and other expectations Roles and responsibilities. <p>Draft Handbook will be presented to the Executive Council in early 2015/2016.</p> <p>Further drafting or endorsement will be considered by Executive Council.</p>	Medium	Within existing resources	Senior Policy Advisor

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	Declaration of Conflict of Interests is an integral part of accountability and transparency.	Completed	Declaration of conflicts of interests is now adopted as a standing agenda item commenced April 2015.	High	Within existing resources	
	Policies and Procedures will set the foundation of good governance for Councillors and staff alike.	Completed	Relevant Policies completed include: <ul style="list-style-type: none"> • Conflict of interest register • Gifts and benefits register • Boards and committees register • Drug and Alcohol 	High	Within existing resources	
Full Council provided with necessary resources and information	The Full Council should have sufficient time to consider matters before them.	Completed	Agendas (without confidential attachments) are now forwarded to Members one week prior to meetings. Where particular expertise is required it will be provided and made available. Agendas were distributed in accordance with this policy by 5 June 2015.	Medium	Within existing resources	Senior Policy Advisor
	High level legal expertise should be available to the Full Council to assist their deliberations.	Completed	Principal Legal Officer attends all Full Council meetings and offers legal advice during preparation of agenda items and during the meetings on conflicts of interest and other legal matters relevant to members' roles.	High	Within existing resources	
	Financial information should be sufficient for Full Council consideration and easy to understand and interpret.	Ongoing	Chief Financial Officer (CFO) will present detailed financial reports to each Full Council meeting in a readily understandable format. Changes to the Financial Reporting information have been trialled since February.	High	Within existing resources	

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			The NLC will analyse the effectiveness of delivery and change accordingly.		
Minutes recorded and secured.	Meeting minutes are recorded and securely stored	Completed	Minutes from meetings since December 2014 are recorded and stored in a locked cabinet by Secretariat Branch at 45 Mitchell Street, Darwin.	Medium	Within existing resources
Review Full Council Performance.	The Full Council should have the required tools to understand and analyse their performance.	November 2015	A confidential survey has been developed to provide independent feedback on the performance of Full Council. Results from the Executive Survey will be analysed and implemented at the next Full Council.	High	Within existing resources

Area 1.3 - All management and staff

Action	Status	Target dates	Progress to date	Priority	Budget	Officer
Develop process for addressing conflicts of interest.	Declaration of Conflict of Interest is an integral part of accountability and transparency for staff and councillors alike.	Completed	Development and implementation of: <ul style="list-style-type: none"> A conflict of interest register A gifts and benefits register Both documents include confidentiality provisions. In addition a whistleblower policy is in draft form, awaiting endorsement from Executive Members.	High	Within existing resources	Senior Policy Advisor

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<p>Review branches committees and relevant communication strategies</p>	<p>Key policies and issues impacting on the NLC are understood and actioned and supported across the organisation and by key stakeholders.</p> <p>Branch and program reviews will inform and guide this process.</p>	<p>August 2015</p>	<p>Operational Reviews are currently underway within the NLC of the:</p> <ul style="list-style-type: none"> • Anthropology Branch • Royalties processes • Minerals and Energy processes • Human Resources (payroll) processes • Legal Branch <p>Further projected work includes workshopping to improve internal and external communication, and scoping improvement to consultation and co-ordination with key stakeholders during development of policies.</p> <p>A new policies and procedures manual and a new induction process will implement these changes.</p>	<p>Medium</p>	<p>Within existing resources</p>	
<p>Management of compliance and ethical issues.</p>	<p>The NLC has previously lacked a central point for ethical and compliance issues.</p>	<p>Ongoing</p>	<p>Allocation of responsibility to manage issues to senior staff member - Senior Policy Advisor.</p> <p>Development of confidential internal management of ethical and compliance process is ongoing.</p> <p>Senior Policy Advisor (from 5 June) is now Public Information Disclosure (PID) official.</p> <p>Draft Whistleblower policy and process to be implemented once approved by Executive members.</p>	<p>Medium</p>	<p>Within existing resources</p>	

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<p>Develop internal audit or risk management program.</p>	<p>The NLC must ensure that it has an effective current audit and risk management process in place.</p>	<p>Ongoing</p>	<p>A Draft Risk Management framework is currently being developed by the NLC based on ANAO guidelines. This Framework will outline all areas of risk to the organisation in each branch, ranging from fraud to fiscal and internal governance risks.</p> <p>Outcomes from the framework will include identifying the risk and developing strategies to minimise or eliminate the risk at a branch and manager level.</p> <p>The NLC Risk Management framework was circulated to the NLC leadership group on 15 May 2015.</p> <p>The NLC Audit Committee also considered the Risk Management framework on 1 June 2015 and is currently awaiting formal endorsement by the NLC Chief Executive Officer.</p>	<p>High</p>	<p>Within existing resources - further scoping may be required.</p>	
<p>Review and update Strategic and Corporate plans.</p>	<p>The NLC, in meetings its Strategic Objectives and requirements under the <i>PGPA Act</i> must have both Strategic and Corporate Plans in place by August 2015.</p>	<p>31 August 2015</p>	<p>New Corporate and Strategic plans (2015-2018), including Strategic Statement, have been finalised and await endorsement.</p> <p>The NLC Strategic Plan is currently in its final stage and is awaiting formal endorsement by the NLC Executive after consideration by the Full Council (June 2015).</p> <p>Drafts shortly to be provided to the Department of Prime Minister & Cabinet.</p>	<p>Medium</p>	<p>Within existing resources</p>	

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			The Corporate Plan is in its final stages, noting that it is required by the Commonwealth by August 2015.		
Development of Branch business plans.	Good planning exists at an organisational, branch and individual level.	31 August 2015	Branch business plans are being finalised aligned with NLC's Corporate and Strategic Plans to meet budgets and outputs. Completion of Branch Business Plans is anticipated by 31 August 2015.	Medium	Within existing resources
		31 July 2015	Policies completed and implemented but yet to be endorsed by CEO or Executive: <ul style="list-style-type: none"> • Consultants/Contractor Engagement Policy and register • Credit Card Policy • Debit Card Policy • Engagement of casual employees procedure • Risk Management Policy • Cost Recovery Policy Endorsement to be undertaken by July 2015.	High	Within existing resources
		31 July 2015	New Policies drafted or reviewed: <ul style="list-style-type: none"> • Internal Complaints Policy and register • External Complaints Policy and register • Asset Management and Disposal Policy • Cyclone Preparedness Plan • Flood Policy • Procurement Policy • Whistleblower Policy • Work Health Safety framework for NLC 	Medium	Within existing resources

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Lodge Annual Reports on time.	The NLC will meet reporting targets and deadlines (including Annual Reporting) in line with the rules of the <i>PGPA Act</i> .	15 October 2015	<p>The NLC must prepare and present its Annual Report to the Minister by 15 October as now required under s33 <i>PGPA</i>.</p> <p>The NLC has taken progressive steps to be compliant with the 2014-15 Annual Reporting timeframes. Compliance has been aided considerably by reforms to NLC's financial systems and processes, and the internal audit process that commenced earlier which will address previous audit issues which resulted in delays in the submission of the Annual Report. In preparation, quotes for the design, layout and printing were obtained in May 2015.</p>	High	Within existing resources	Senior Policy Advisor.
Establish Suitable Corporate Structure.	The NLC Corporate Structure is consistent with, and supportive of the Strategic Plan and Corporate Plan.	December 2015.	The NLC continues to hold leadership meetings on a weekly or as-needs basis. Ownership and implementation of the plans are packaged within Performance Enhancement Programmes (PEPs) of senior staff.	High	Further funding needs will be scoped.	Oversight from the CEO
Implement Deloitte Review	The NLC will adopt the findings of the Deloitte review where they are applicable and appropriate.	Ongoing.	<p>The NLC has implemented the majority of the applicable and appropriate recommendations arising from the Deloitte Review.</p> <p>Advice on progress against the Deloitte Recommendations has been provided to the Senate Estimates Committee for Public Finance and Administration in February and June 2015.</p>	High – Medium	Within existing resources. Where necessary requests will be made to the Cwlt where efficiencies	Senior Policy Advisor

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					cannot be found to fund critical elements.	
Maintain compliance with <i>PGPA Act</i>	The NLC will ensure that it maintains compliance with all aspects of the <i>PGPA Act</i> .	Ongoing	<p>The NLC has sought to ensure compliance with all aspects of PGPA requirements through training of senior staff, including:</p> <ul style="list-style-type: none"> • Internal NLC PGPA Planning – Mary River 22 March 2015 • PGPA Act Land Council/PMC Transition Training – 1 April 2015 • PMC Corporate Plan Training/Presentation - 10 June 2015 <p>Towards ensuring future <i>PGPA Act</i> Compliance, senior staff will:</p> <ul style="list-style-type: none"> • Continue to liaise with senior Commonwealth counterparts • Attend all future <i>PGPA Act</i> training and information sessions • Submit a <i>PGPA</i> Compliant Corporate Plan by due date 15 August 2015 	High	Within existing resources.	Senior Policy Advisor and Principal Legal Officer

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2 - Financial Management

Area 2.1 - Financial governance						
Action	Status	Target dates	Progress to date	Priority	Budget	Officer
Establish a full suite of the Audit Committee.	The NLC has undertaken significant effort to reform the membership of the Audit Committee.	8 August 2015	<p>Since February 2015, the NLC has developed an Audit Committee Charter, which draws heavily upon the ANAO Audit Committee Best Practice Guidelines.</p> <p>The NLC Audit Committee Charter was considered by the Audit Committee on 1 June 2015 and formally endorsed by the NLC Accountable Authorities on 5 June 2015.</p> <p>The NLC Audit Committee has also appointed a new Chair, Mr John Webster, who commenced on 26 March 2015.</p> <p>The NLC is holding regular Audit Committee meetings under the provisions of the Audit Committee Charter.</p> <p>The next two scheduled meetings are:</p> <ul style="list-style-type: none"> • 8 August 2015 • 21 October 2015 <p>The NLC anticipates that the final vacancy on the Audit Committee will be filled by the next meeting of the Committee, on 8 August this year.</p>	High	Within existing resources	General Manager Corporate Compliance

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<p>Review Audit Committee Charter and Define functions of Audit Committee</p>	<p>The NLC Audit Committee should be consistent with federal guidelines in carrying out its functions, as required under the <i>PGPA Act</i>.</p>	<p>Ongoing.</p>	<p>Review of Audit Committee Charter to comply with <i>ANAO Better Practice Guide 2015</i> was completed April 2015.</p> <p>Consistent with that review, the NLC has developed an Audit Committee Charter, which draws heavily on ANAO Audit Committee Best Practice guidelines.</p> <p>The NLC Audit Committee Charter was considered by the Audit Committee on 1 June 2015 and formally endorsed by the NLC Accountable Authorities on 5 June 2015.</p> <p>Consistent with the <i>ANAO Better Practice Guide 2015</i>, the committee will:</p> <ul style="list-style-type: none"> • Review and approve internal audits. • Provide advice and recommendations on issues identified in audit reports. • Ensure compliance and monitoring of financial risks to the organisation 	<p>High</p>	<p>Within existing resources</p>	<p>General Manager Corporate Compliance</p>
<p>Improve NLC Equity position</p>	<p>In addressing long-standing equity issues, the NLC must ascertain key drivers and impacts on the equity position arising from previous years.</p>	<p>By September 2015</p>	<p>The NLC will engage OTS Management to provide a comprehensive report (including timelines) of major impacts on the equity position of the NLC between 2010/11 and 2014/15.</p> <p>Production of the report is anticipated by September 2015.</p>	<p>High to Medium</p>	<p>Within existing resources</p>	<p>Chief Executive Officer and Senior Policy Advisor</p>

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Area 2.2 - Financial accountability						
Action	Status	Target dates	Progress to date	Priority	Budget	Officer
Development of internal audit program	The NLC has enlisted external expertise in improving its performance in ANAO Audit processes.	1 August 2015 - ongoing.	<p>Since February 2015, the NLC has engaged national level accountancy firm BDO to provide internal advice and assistance to ensure that financial statements tendered under ANAO Audit processes are timely, comprehensive and accurate. It is anticipated that the NLC will continue to utilise the services of BDO until the finalisation of all 2014/15 audit related processes.</p> <p>The NLC has also engaged national level accountancy firm KPMG to provide an 'internal audit' service. Principally, this provides the NLC with a full, simulated ANAO Audit process to identify and resolve audit issues ahead of time.</p> <p>Under this arrangement KPMG will also remain engaged for the upcoming 12 month period, and will conduct audit 'spot checks' at the direction of the Audit Committee.</p>	High	Within existing resources	General Manager Corporate Compliance
Review structure of Finance and Corporate Services Branch.	The NLC Corporate Structure should maximise the NLC's ability to inject accountability and openness into the financial management system - including the appointment of specialist senior finance management.	31 July 2015	<p>Position of Chief Financial Officer and Financial Accountant advertised with new roles and responsibilities.</p> <p>Appointments are expected by 31 July 2015.</p>	Medium	New ongoing funds will be sought from the Cwlth	General Manager Corporate Compliance

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<p>Review of finance policies and procedures and internal controls.</p>	<p>The NLC is continuing to review and improve procedures and internal controls related to expenditure.</p>	<p>Ongoing</p>	<p>Changes at the NLC over the past 12 months in the appointment of a new CEO and senior staff have meant that financial controls are being re-established and strategies are being formulated to ensure that the financial plans and decisions are made within fiscal constraints.</p> <p>Since February 2015:</p> <ul style="list-style-type: none"> • The Finance Branch is now providing detailed monthly management reports to the Leadership team to help Branch Managers make operational and financial decisions. • A new process of reconciliations now requires the Finance Manager to sign off on accuracy, reviewed by the GM Corporate Compliance, and forwarded to the CEO and the Leadership team. • Finance Branch has instigated a focus on balance sheet management and review on a monthly basis, and the balance sheet is reported to the Audit Committee for their review. • Cash flow projections are now prepared on a monthly basis for all NLC funding sources and included in the monthly management report. • Under a new procedure, no projects within Branches are commenced 	<p>High</p>	<p>Within existing resources</p>	<p>General Manager Corporate Compliance</p>
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			<p>without the Branch Manager first identifying funding sources, and an appropriate budget prepared and authorised by senior management.</p> <ul style="list-style-type: none"> • Leadership group now have general oversight of branch level budgetary planning as part of ABA Budgetary Submission processes. • A cost recovery policy has been developed. 			
Review royalties' process.	NLC must develop the capacity to effectively meet high expectations by constituents for rapid royalty distribution.	From July 2015	<p>The NLC is currently reviewing its Royalties management system.</p> <p>As of 8 May 2015, Minister Scullion has supported funding a pilot Community Development Unit. It is anticipated that this pilot will inform a broader review of NLC royalties' management.</p>	Medium	Within existing resources	Manager Anthropology
Develop appropriate software systems.	The NLC requires appropriate software / online financial management systems to enable proper management and reporting output functions.	December 2015	<p>The NLC will conduct a review to determine whether the current financial management system has the capacity to meet the organisation's needs in providing timely, accurate and cost effective financial information.</p> <p>Appropriate systems will also interface with proposed systems for HR Management (Chris21) and fleet management systems.</p> <p>Advice will be made available for consideration by the CEO by December 2015.</p>	High	Within existing resources	General Manager Corporate Compliance

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3 – Human Resource Management

Area 3.1 - Human resource management						
Action	Status	Target dates	Progress to date	Priority	Budget	Officer
Review of induction manual and procedures.	<p>The NLC will have in place a corporate induction program (delivered quarterly) that is compliant with relevant legislation.</p> <p>Employees will be appropriately trained in relevant policies & procedures.</p>	Ongoing	<p>Progress to date includes:</p> <ul style="list-style-type: none"> Code of conduct approved, and register of breaches established. External complaint process established. NLC Leadership Group received training in <i>PGPA</i> obligations in April 2015. WHS induction & awareness training established. WHS Policies & Procedures in draft waiting endorsement. 	High	Existing resources	General Manager Corporate Compliance
Review and alignment of PEP framework.	The NLC PEP framework will be aligned with strategic plan, corporate plan & operational and business plans.	31 December 2015	Draft PEP framework in progress to be sent to leadership group for comment by December 2015.	High	Existing resources	General Manager Corporate Compliance
Upgrade of HR management systems.	As a large modern organisation, the NLC requires comprehensive, IT integrated HR management systems.	31 November 2015	<p>Current system to be upgraded with implementation of Chris21 system ahead of broader IT system reviews over the upcoming financial year.</p> <p>A decision and rollout is anticipated by 30 November 2015.</p>		Further funding needs are to be scoped.	General Manager Corporate Compliance

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<p>Develop a procedure for implementation of targeted, voluntary redundancies.</p>	<p>The NLC will ensure maximum workforce efficiencies through smart management of redundancies.</p>	<p>July 2016</p>	<p>Branch reviews currently underway may identify opportunities for targeted redundancies. Identification of such opportunities will need to be combined with:</p> <ul style="list-style-type: none"> • Comprehensive Exit strategy; and • Succession planning strategy <p>Opportunities will be effectively scoped by the end of the 2015/2016 Financial year.</p>	<p>Medium</p>	<p>Existing resources</p>	<p>Branch Managers and Senior Policy Advisor</p>
<p>Reporting of staffing matters to Executive Council.</p>	<p>Proper HR planning processes must be underpinned by timely and effective statistical reporting to the NLC leadership.</p>	<p>Ongoing.</p>	<p>From February 2015, reports on staffing matters have become a standing agenda item for Leadership Group meetings and Executive Council Meetings.</p>	<p>Low</p>		<p>General Manager Corporate Compliance</p>

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4 - Information Communication Technology

Area 4.1 - Information and Communication Technology review						
Action	Status	Target dates	Progress to date	Priority	Budget	Officer
Comprehensive risk reduction strategy.	IT review is underway to assess risks across the NLC.	Dec 2015	Review currently being assessed by the CEO.	High		IT Manager overseen by Secretariat
Use of tender process for ICT upgrades.	IT review is in final draft which outlines alongside new procurement processes to ensure competitive and transparent process.	Dec 2015	Once review assessed by CEO, priority areas will be identified to ensure systems reviews and efficiencies across the organisation.	Medium		IT Manager overseen by Secretariat
Restructure IT unit. Regular staff training of ICT equipment and systems.		Dec 2015	Is a prioritised action from the IT review.	Medium		IT Manager overseen by Secretariat
Conduct regular reviews to identify and address critical risks.		On-going	On-going and will continue to be monitored and implemented.	High		IT Manager overseen by Secretariat
Commission external ICT audit to validate internal assessments.		By Jan 2016	It remains a priority of the IT review.	Low		IT Manager overseen by Secretariat
Implementation of a IT strategy.	IT review in final stages- strategy will be completed once funds identified and secured	Jan 2016 completion of high prioritised tasks.	It remains a priority of the IT review to be rolled out by July 2015 to end Jan 2016.	Medium		IT Manager overseen by Secretariat