

NORFOLK ISLAND

Regional Council

23 May 2023

The Chair
Rural and Regional Affairs and Transport Legislation Senate Estimates Committee
Parliament House
CANBERRA ACT 2601

Dear Sir/Madam,

Building Capacity of Norfolk Island Regional Council (NIRC)

I am following up from previous discussions with both the Senate Estimates Committee on 13 February 2023 and the Joint Standing Committee hearing on Norfolk Island on 5 April 2023 that raised questions about NIRC's focus on 'capacity building' during the period of Administration, and I provide the following additional information.

NIRC continues to run its Apprentice/Traineeship program. It should be noted that Council meets 100% of these costs as we cannot access the normal State based training/apprenticeship schemes that councils elsewhere can access. Travel for staff to attend extended training weeks on the Australian mainland adds significantly to these costs.

NIRC has extended its Tertiary Bursary program during the period of Administration. In the past three years we have supported 52 Islanders with total grants of \$67,000 to attend Universities/TAFE of their own choice. This represents a strong commitment to supporting locals to obtain tertiary qualifications, trusting that many of them will return after their studies to use their skills in Island based employment. This program is certainly stronger than for many other councils I have worked in. The most recent report to Council (April 2023) is available here:

https://civicclerkau.blob.core.windows.net/stream/NORFOLK/tmp_db5e082056.pdf?sv=2015-12-11&sr=b&sig=IPC%2BFTY%2FF1DCaXSLCyJVjOYGafiamtHYsmFVRQJXAs%3D&st=2023-05-17T04%3A49%3A16Z&se=2024-05-17T04%3A54%3A16Z&sp=r&rscc=no-cache&rsct=application%2Fpdf

The most significant capacity building program that NIRC is now undertaking is responding to the External Audit Findings (EAFs) and conclusions of the Public Inquiry. The 120 items that were adopted by me, as Administrator, require the Council team to not only complete many identified operational improvements to the organisation, but also to significantly improve the capacity of the organisation to look and operate like an Australian Local Government Authority. Without this work, these operational gaps would constrain NIRC from being successful under any governance model. Under the banner of *Transition to Sustainability*, the program is publicly reported to open Council quarterly, detailing progress of each item, and more importantly, once the item has been completed, providing evidence of completion in a publicly available report card. Here are two links to the latest report to Council (May 2023) with its Attachment:

https://civicclerkau.blob.core.windows.net/stream/NORFOLK/tmp_29780f720e.pdf?sv=2015-12-11&sr=b&sig=ZA9QvqDzlhu%2B%2FBwFZYBypToSS2nsTLYopwRDg0UloWA%3D&st=2023-05-17T05%3A11%3A32Z&se=2024-05-17T05%3A16%3A32Z&sp=r&rsc=cache&rsct=application%2Fpdf

<https://civicclerkau.blob.core.windows.net/stream/NORFOLK/3e7ebd8790.pdf?sv=2015-12-11&sr=b&sig=LvW5%2BDtmtYPiqYJBtNxjly9odr3ZST%2FpXDQykWWQWtI%3D&st=2023-05-17T04%3A58%3A48Z&se=2024-05-17T05%3A03%3A48Z&sp=r&rsc=cache&rsct=application%2Fpdf>

The chart below summarises EAFs progress as at 31 March 2023. It provides a snapshot summary in % progress status of the combined EAFs:

- Practically Commenced – The EAF has been commenced
- Planning – The EAF is in the planning stages and in progress
- Not Yet Commenced – The EAF has not yet been commenced
- Upcoming – The EAF is scheduled to be commenced next financial year
- Completed – The EAF has been actioned and is considered to be completed

Image: Progress Summary Gap



Since the commencement of the EAFs program in February 2021, 60% have been completed, substantially improving NIRC's operational capacity. This is an important point in response to Senator Pocock's questions. My work in rectifying NIRC's financial position has involved making decisions that an elected body would find are unpopular to implement because they involve land rates and charges. In doing so, I am improving NIRC's operational capacity so that the successor organisation has the capacity to meet its responsibilities under the *Local Government Act 1993 (NSW) (NI)* or any other statutory framework.

For the Committee's information, I have attached a hardcopy of the External Audit Findings progress reports, in case detailed information is needed to comprehend the complex and resource intensive program NIRC is undertaking during Administration. This information also backs up my previous responses around the engagement of short-term resourcing through LGAQ's Peak Services to deliver rapid reforms so that NIRC can be restored to a democratically elected model by December 2024.

I look forward to expanding on NIRC matters at Senate Estimates on 23 May.

Yours sincerely

Mike Colreavy
ADMINISTRATOR



TRANSITION TO SUSTAINABILITY

Progress Report (Jan-Mar 2023)
EXTERNAL AUDIT FINDINGS (EAF)

12 INFORMATION REPORTS**12.3 EXTERNAL AUDIT AND PUBLIC INQUIRY FINDINGS - AS AT 31 MARCH 2023****Reporting Officer:** Paul Martin, Manager Corporate and Finance**Department:** Corporate and Finance**File No:** N/A**Presented For:** Information

PURPOSE

The purpose of this report is to provide Council with an update on the progress of implementation of the 113 External Audit Findings (EAF) which were adopted by Council on 24 February 2021 (Resolution No: 2021/3), and the 7 broad findings of the Public Inquiry that were noted by Council at the Extraordinary General Meeting on 21 December 2021.

OFFICER RECOMMENDATION:

That Council note the progress of implementation of the 120 (short to medium term) EAFs as at 31 March 2023.

BACKGROUND

Council continues to action the outcomes and recommendations from the External Audit Findings (EAFs) and report quarterly on the progress made to date.

Provided at Attachment (1) to this report is the quarterly update for the period (1 January - 31 March 2023).

At the Ordinary Meeting of Council held on 24 February 2021, the following was resolved:

Resolution No: 2021/31

1. *That Council adopts all Recommendations (total of 113) as presented in the External Audit Reports prepared by:*

a. Grassroots Connections Australia - "Norfolk Island Regional Council Independent Governance and Financial Audit" Report dated 15 November 2020 (84 recommendations) (Attachment 1).

b. Nexia Australia - "Independent Audit of Financial Performance" Report dated 30 October 2020 (29 recommendations) (Attachment 2).

That Council instructs the General Manager to commence initial planning with scoping of work/projects and the development of detailed business cases where necessary, so that key deliverables, budget requirements and delivery timeframes can be clearly identified and agreed, thereby enabling priorities to be set, and a program of work to be determined.

2. *That Council instructs the General Manager to commence initial planning with scoping of work/projects and the development of detailed business cases where necessary, so that key deliverables, budget requirements and delivery timeframes can be clearly identified and agreed, thereby enabling priorities to be set, and a program of work to be determined.*

3. *That Council continue to liaise with the Department of Infrastructure, Transport, Regional Development and Communications for appropriate funding sources when developing priorities of the adopted recommendations.*

Council’s work program has focussed on progressing 75 of the 113 EAFs that have been assessed for delivery in the short (1-12 months) to medium (1-2 years) term. It has now been expanded to incorporate the longer-term objectives and the 7 broad findings of the Public Inquiry. As such, the scorecard is now reporting on a total of 120 objectives arising from the external audits and the Public Inquiry.

At the Council's public workshop held 3 & 4 October 2022, the Administrator concluded that Council is making good progress towards the completion of the EAFs, and that he was confident given the assurances provided by each of the managers that this would be achieved by the target date, and within the scope of the identified resourcing.

The Administrator requested that as part of the finalisation process for all completed EAFs, that links to associated evidence be provided as part of the reporting process and noted in the quarterly update reports to Council. These links to the evidence, where deemed appropriate, are to be accessible to the public via the quarterly reporting process and available online.

This process has commenced for the collating of the evidence documentation for each of the completed EAFs. This information will be progressively added to the EAF reporting system as it becomes available. The evidence links will be available via the report, within the 'Updates' column for each completed item. If the evidence is publicly available, then this should be accessible simply by clicking on the link and downloading a copy, if it is deemed to be a sensitive or confidential document, then it will not be accessible for download. All evidence links will be provided as the EAFs continue to be finalised and completed.

The Council will continue to report quarterly on the progress of the EAFs going forward until their completion.

DISCUSSION/CURRENT ISSUE

Based on a projected implementation timeframe for unfunded recommendations, estimated costings in current and future years are as follows:

Target Timeframe	No. of Recommendations (unfunded)¹	Estimated Cost
Short (1-12 months)	12	\$365,000
Medium (1-2 years)	35	\$10,155,000
Long (2 years plus)	21	\$33,530,000
Total	68	\$44, 050,000

Note:

¹The unfunded recommendations are defined as those that are allocated a dollar figure under the heading of “Estimated Costs” in the table presented in Attachment 3. The figure of 68 includes those recommendations where the “costs” are cross referenced to another unfunded recommendation, and no specific amount has been shown.

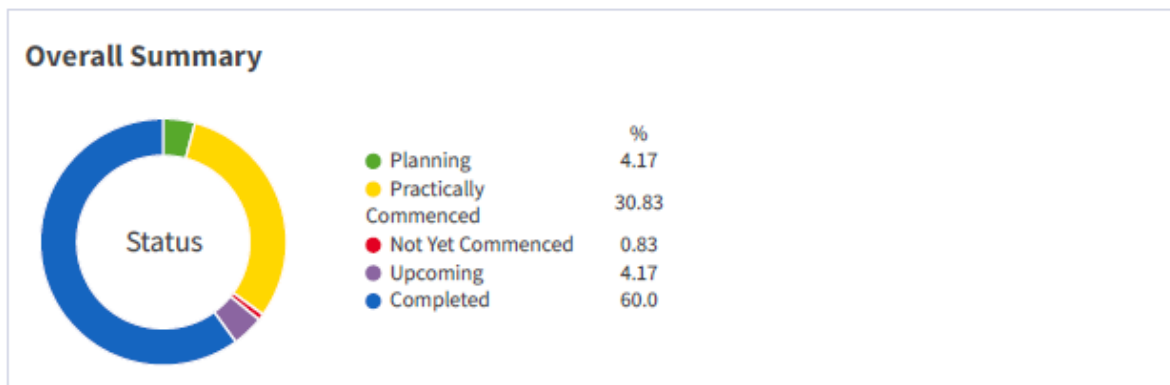
Summary

The table below summarises progress as at 31 March 2023.

The graph below provides a summary in % of the progress of the status of each of the EAFs in relation to their status label.

- Practically Commenced – The EAF has been commenced
- Planning – The EAF is in the planning stages and in progress
- Not Yet Commenced – The EAF has not yet been commenced
- Upcoming – The EAF is scheduled to be commenced next financial year
- Completed – The EAF has been actioned and is considered to be completed

Image: Progress Summary Graph



A detailed progress report against each of the 120 objectives as at 31 March 2023 is presented in the Scorecard found at Attachment 1.

RELEVANCE TO THE STRATEGIC PLAN AND RESOURCING STRATEGY

Strategic Direction 05: An informed and accountable community

RELEVANCE TO THE EXTERNAL AUDIT FINDINGS (EAFs)

External Audit Findings (EAFs) were adopted by Council on 24 February 2021 (Resolution No. 2021/3); and conclusions that resulted from the 2021 Public Inquiry were received by Council on 21 December 2021 (Resolution 2021/172).

As attached to this report.

LEGISLATIVE/POLICY IMPLICATIONS

A majority of the recommendations involve governance and policy considerations including the review, development and implementation of: governance frameworks, policies, systems, and procedures; financial and HR policies and systems; strategic and operational plans; integrated external and internal reporting frameworks; project planning frameworks; delegations; legislation; review of intergovernmental relations and the Service Delivery Agreement.

LEGAL/RISK IMPLICATIONS

Key recommendations involve legal implications including: review and development of delegations and legislation; high value procurement; preparation of commercial contractual documentation; commercial arrangements in areas of service delivery.

SUSTAINABILITY IMPLICATIONS

A number of recommendations are considered to have social implications with significant impact on the quality of life outcomes for the Norfolk Island community, these include: financial and environmental sustainability; the delivery of services that meet community needs; access to critical and maintained infrastructure; employment options for local workers.

BUDGET/FINANCIAL/RESOURCING IMPLICATIONS

It is considered some of the 113 Findings are able to be funded internally; from within existing Council budget and resource allocation and do not require additional funding. Those Findings identified as unfunded will require a significant investment of an estimated \$44,050,000 for implementation. It is determined this level of funding to be well beyond the current and future financial capacity of Council, and additional or alternative funding arrangements will need to be examined.




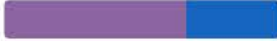
COMMUNICATION/CONSULTATION

The updates have been provided by the manager of each Operational area with any consultation noted within the updates in this report at attachment 1.

ATTACHMENTS

1. EAF Progress Report - Q3 (Jan - Mar 2023)

Priority

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Priority 2		High	Paul Martin						 <ul style="list-style-type: none"> ● Practically Commenced: 28.75% ● Not Yet Commenced: 1.25% ● Upcoming: 3.75% ● Completed: 66.25% 	Ongoing
Priority 4		Low	Paul Martin						 <ul style="list-style-type: none"> ● Planning: 60.0% ● Completed: 40.0% 	Ongoing
Priority 3		Medium	Paul Martin						 <ul style="list-style-type: none"> ● Planning: 6.25% ● Practically Commenced: 43.75% ● Completed: 50.0% 	Ongoing
Priority 1		Very High	Paul Martin						 <ul style="list-style-type: none"> ● Upcoming: 66.67% ● Completed: 33.33% 	Ongoing

Finding

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.3.1	1	001 - That NIRC consider re-making its Advisory Committee Structure through the establishment of four Council Committees: <ul style="list-style-type: none"> • Services • Planning & Environment • Finance & Corporate Services • Economic Development 	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>Advisory Committees are in place and operating as BAU.</p> <p>Evidence of Completion:</p> <p>Resolution: OCM 2021/128</p> <p>Public Evidence - Minutes Ordinary Meeting of Council - 6 October 2021</p>				Yes		Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.3.2	2	002 - That input to these Committees be provided for interest groups and individuals on invitation ensuring the opportunity for community engagement into NIRC's strategic and policy development processes.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>The Committees are in place and operating as BAU.</p> <p>Evidence of completion:</p> <p>Resolution: OCM 2021/128</p> <p>Public Evidence - Agenda Ordinary Council Meeting - 6 October 2021</p>				Yes	Completed	Ongoing
Finding 2.2.1	3	003 - That efforts continue to align the CSP outcomes with operational delivery and to improve line-of-sight between the higher order strategies and operational/service delivery standards.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>This item is closed and transferred to BAU by the adoption of the 22-26 Delivery Plan.</p> <p>Evidence of completion:</p> <p>OCM Resolution: 2022/82</p> <p>Public Evidence - Minutes Ordinary Council Meeting - 6 July 2022</p>				Yes	Completed	Ongoing
Finding 3.1.1	4	004 - That the content of the Annual Report seek improved focused on reporting performance/ implementation against the CSP outcomes and strategies.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Transferred to BAU. Links to Open gov - AIW/RN - Business paper for May Council Meeting. <p>Evidence of completion:</p> <p>Public Evidence - Annual Report 2021/22</p>				Yes	Completed	Ongoing
Finding 2.1.1	5	005 - That NIRC consider formalising its Governance Framework in an adopted policy to clarify the roles and responsibilities encompassed in the Framework.	Paul Martin	<p>Q3 update (1 January to 31 March 2023)</p> <p>The Governance framework has been completed and will be submitted to the May 2023 Audit, Risk, and Improvement Committee (ARIC) meeting for adoption at the June or July 2023 Ordinary Council Meeting.</p>	30/06/2023	\$20,000	Peak services Team and additional Contracting		Practically Commenced	Jun 30, 2023
Finding 3.2.1	6	006 - That the resourcing of the Audit/Risk Management function be reviewed after twelve months to assess its adequacy	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Now happening as part of the 22/23 budget development. Transferred to BAU. 				Yes	Completed	Ongoing
Finding 4.1.1	7	007 - That a planned schedule be created for the ongoing review of NIRC Policies based on setting priority for topics, with a view to completing the full set by the end of 2021.	Paul Martin	<p>Q3 update (1 January to 31 March 2023)</p> <p>This work has commenced and is on track for completion (in conjunction with the HR policies review) by the end of the 2022-23 financial year.</p>	30/06/2023	In house	Peak Services Team		Planning	Jun 30, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 4.1.2	8	008 - That a gap analysis be undertaken of policy areas requiring new policy instruments and a plan established for their development.	Paul Martin	Q3 update (1 January to 31 March 2023) This work has commenced and continues to be on track to be completed by the 30 June 2023 target completion date.	30/06/2023	In house	Peak Services Team		Planning	Feb 28, 2023
Finding 3.1.2	9	009 - That the compilation of Procedure Manuals for key operational functions be progressed on a risk assessment basis to ensure areas of high staff turnover do not suffer from loss or dilution of corporate knowledge.	Paul Martin	Q3 update (1 January to 31 March 2023) This work continues to be in the planning phase, and has been incorporated into the updated Council wide Risk registers during this quarter. The matters of staff turnover, and maintenance of corporate knowledge, forms part of the succession planning work that will flow from performance appraisals and organisational investment assessments.	30/06/2024	Existing Budget	Existing Resource		Planning	Jan 31, 2023
Finding 2.3.3	10	010 - That the fortnightly meeting between NIRC and DITRDC on-Island staff continue to address operational issues.	Gordon Malesevic	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> Business Paper submitted to Council Meeting 7 April 2021. Council noted that NIRC will continue to support the need for fortnightly meetings between NIRC operational staff and DITRDC on-island staff. All action is finalised and EAF completed. Transferred to BAU. Evidence of Completion: Resolution: OCM 20210407 - 2021/35 Public Evidence - Agenda Ordinary Council Meeting - 7 April 2021				Yes	Completed	Ongoing
Finding 2.3.4	11	011 - That NIRC and DITRDC consider restructuring the quarterly meeting to discuss strategic issues to include: <ul style="list-style-type: none"> NIRC Mayor & GM The Administrator Assistant Secretary DITRDC 	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> To be progressed in 2021-2022 with a meeting schedule to be developed. This process has been established, acknowledging that Council is now in Administration. Meetings are now held monthly between The Department's FAS, Council Administrator & CEO. Council's Administrator & CEO meet directly with the Island Administrator monthly. Operating as BAU 				Yes	Completed	Ongoing
Finding 2.2.2	12	012 - That these quarterly meetings be held face-to-face alternating between Canberra and Norfolk Island.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Rotation occurs on the basis of the availability of personnel and other matters. This matter has been transferred to BAU.				Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.3	13	013 - That a Partners in Government Agreement be developed setting out the roles and responsibilities of the Commonwealth and NIRC in a form simplifying the complexity of the Norfolk Island governance model.	Andrew Roach	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: The Joint Standing Committee (JSC) has now held its on island hearings and Council awaits the results of this process.	30/04/2024	Nil	The Department has received briefing from NIRC. Minister has referred matter to Joint Standing Committee process.	Yes	Practically Commenced	Apr 30, 2024
Finding 2.2.4	14	014 - That NIRC seek membership of the Commonwealth and State agencies inter-agency forum to build mutual understand, working relationships and opportunities for collaboration between NIRC and these agencies.	Andrew Roach	Progress as at 30 Sept (1 Jul to 30 Sep 2022): <ul style="list-style-type: none"> This continues to be developed, but significant steps have been taken to open lines of communication across relevant Departments. This will mature in time, but the process has been rewarding to date. Council has now been invited to attend monthly Agency meetings with the Administrator commencing May 2022 					Completed	Ongoing
Finding 2.2.5	15	015 - That NIRC recruit a full time Inter-governmental Relations Manager to act as an expert and dedicated advisor / resource to help better coordinate engagement activities between NIRC, the Commonwealth Government (at both Ministerial, Administrator and Departmental levels) as well as key community groups and other relevant stakeholders.	Andrew Roach	Progress as at 31 December 2022 (1 Oct to 31 Dec 2022): This EAF is not supported by Council or the Department. Existing systems are in place now which provide for a better outcome than what was suggested with this EAF.	30/09/2024	\$95,000 per year	Go to market middle of 2024 to find a suitable consultant		Completed	Sep 30, 2024
Finding 2.2.6	16	016 - That the Norfolk Island 2030 – Sustaining our Future: <ul style="list-style-type: none"> Be a Plan collaboratively led by the Commonwealth through the Administrator’s Office, DITRDC office on the Island and NIRC-- to build partnership both in terms of working arrangements and which is visibly symbolic for the Island community Establishes clear goals and directions for “what we want Norfolk Island to be and look like” in ten (10) years’ time - based upon extensive community engagement in accordance with the Norfolk Island Community Engagement Framework - with an Implementation Program (recognised as needing to be adaptable over time) which includes: <ul style="list-style-type: none"> a comprehensive long-term Legislative Framework. targeted funding priorities and attribution. allocated roles and responsibilities Integrates with and informs the NIRC’s CSP. i.e. consistency with directions and strategies, long-term-financial and resource planning. 	Andrew Roach	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: Council is negotiating with the Administrator's office and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDC) to best utilise the Community Plan developed approximately 2 years ago.	31/05/2023	\$10,000	Peak Services Team. Adopting Plan created by Administrators Office.		Practically Commenced	May 31, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.7	17	<p>017 - That a Liaison Committee be established to provide inputs into:</p> <ul style="list-style-type: none"> Norfolk Island 2030 - Sustaining our Future The Norfolk Island Community Strategic Plan Review of the Planning Act 2002 (NI) The Norfolk Island Plan Review. 	Andrew Roach	<p>Progress as at 30 September 2022:</p> <p>Completed. EAF 17 is linked to EAF 16</p> <p>Progress as at 30 June 2022 (1 Apr to 30 June 2022):</p> <p>This work has commenced and is progressing with input particularly from the Sustainability Committee. There is still a lot of structure to put into place before this item progresses significantly.</p>	31/05/2023	\$10,000	<p>Linked to 2.2.6 EAF 16</p> <p>Peak Services Team. Adopting Plan created by Administrator's Office.</p>		Completed	Ongoing
Finding 2.2.8	18	<p>018 - That this Committee comprise senior representatives of the Administrator's Office, NIRC, DITRDC on Island team, Council of Elders, Chamber of Commerce; Tourism Advisory Committee, and People for Democracy to enhance dialogue, communication, build understandings, partnership and trust.</p>	Andrew Roach	<p>Q3 update (1 January to 31 March 2023)</p> <p>EAF now completed.</p> <p>Evidence of Completion:</p> <p>Matter referred to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts for control and management, with advice received back to Council that meetings have been occurring since August 2022.</p>	31/03/2023	Nil	In House		Completed	Mar 31, 2023

Plan Label And Number	Finding 3.2.2	19	019 - That the Norfolk Island Plan be comprehensively reviewed with timing that integrates with the amendments to the Planning Act 2002 (NI) – and funding and professional resources allocated to enable this to occur – with staging as follows Stage One: The Strategic Plan be comprehensively reviewed based on the following: <ul style="list-style-type: none"> • A foundation of NIRC led consultation including a Reference Group comprising the Chamber of Commerce; People for Democracy, the KAVHA, Tourism Advisory Committee, Council of Elders – with the aim of building more cohesion and social capital to underpin the Plan. • Sustainability (4 pillars of economic, social, environmental and governance). • A greater level of aspiration for future development and land-uses to achieve the short, medium and long-term desired outcomes of DITRDC, NIRC and the island community. • Including appropriate references to: <ul style="list-style-type: none"> ◦ Evaluations of the alternative locations and criteria for the proposed composters, port and rock quarry. ◦ Resolving acceptable standards and means of waste disposal and wastewater disposal and treatment. ◦ Heritage and Biodiversity conservation – with Strategic Plan mapping providing the mapping nomenclature for consistent inclusion in the zoning map for Part B of the revised Plan. ◦ Analysis of the island's infrastructure capacities to inform NIRC's declared need for a Population Policy. An Implementation Strategy be developed including nominated responsibilities. Introduce a new Development Control Plan for Community Title. Review the Development Control Plans for: Water Resources and Outdoor Advertising Structures and Signs. Stage 2: Implementation of the Strategic Plan.	Philipp Reid	<p>Q3 update (1 January to 31 March 2023)</p> <p>30/09/2024</p> <p>Target Completion Date</p>	<p>Financing Costs</p>	<p>Resourcing</p> <p>Link to 2.2.6 EAF 16, 2.2.7 EAF 17 and 3.1.3 EAF 22</p> <p>This item is covered by the above links, to be removed from outstanding list following explanation to Administrator's Workshop.</p>	<p>Transferred to Business as Usual</p>	<p>Status</p> <p>Practically Commenced</p>	<p>End Date</p> <p>Sep 30, 2024</p>
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Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.9	20	020 - That a qualified planner be recruited as net additional to the current staff establishment and related staff budget, preferably a post-graduate with some (if limited) experience at the right level.	Philip Reid	<p>Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022):</p> <ul style="list-style-type: none"> Preliminary assessment has been conducted of Planning staff resources. No immediate need is justified for additional resources. GM Delegations now in place, easing burden on Planning staff to prepare additional documentation for Council meetings. Requirement for additional Planning staff will be monitored on an ongoing basis and any change in resourcing needs will be referred to the General Manager for consideration and a determination. All action is finalised and EAF completed. <p>Evidence of Completion:</p> <p>Public Evidence - Agenda Ordinary Council Meeting - 1 September 2021</p>					Completed	Ongoing
Finding 4.1.3	21	021 - That budget allocations be increased to ensure that planning staff can sustain Continuous Professional Development and have one attendee at the annual NSW Planning Institute of Australia State conference.	Philip Reid	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Transferred to BAU. Conference attendance approved. <p>Evidence of Completion:</p> <p>Public Evidence - PIA PD Courses 2021-22</p>				Yes	Completed	Ongoing
Finding 3.1.3	22	022 - That the review of the Planning Act 2002 (NI) be pursued to alleviate the inefficiencies caused to the Development Assessment function	Philip Reid	<p>Progress as at 31 December 2022 (1 Oct to 31 Dec 2022):</p> <p>Norfolk Island Regional Council (NIRC) is commencing updates to the Norfolk Island Plan. Legislative arrangements are managed by the Commonwealth.</p> <p>Completed.</p>	30/09/2024	\$50,000 (FY23), \$250,000 (FY24)	Contractor (multiple)		Completed	Sep 30, 2024
Finding 3.2.3	23	023 - That NIRC consider negotiations with Port Macquarie-Hastings Council to extend the Agreement for resource support for <ul style="list-style-type: none"> Assessment of complex DA's. Strategic planning work. Mentoring and training. Ensuring updated knowledge and awareness of NSW issues and practices. 	Philip Reid	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. New relationship with LGAQ & Peak Services meets this need. Bundaberg City Council has decided against proceeding. Further avenues will now be explored. Transferred to BAU. 				Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.10	24	024 - That the Local Government Act 1993 (NSW) (NI) be amended to insert the relevant provisions for On-Site Sewage Management including the initiative of a register of septic tanks / onsite sewage management and the requirement for annual inspections and ensuring proper maintenance and compliance.	Philip Reid	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> DITRDCA seeking further legal opinion on potential to regulate septics on Norfolk Island Further septic inspections completed, rationalisation of properties containing septics Preliminary work on sewer expansion and private property connection <p>Roadblocks/Risks:</p> <ol style="list-style-type: none"> Lack of clear legal provisions remain Community resistance to septic improvements/sewer connections <p>Next Steps/Actions:</p> <ol style="list-style-type: none"> Obtain legal opinion Complete full inspection round of septic systems in KAVHA catchment 	30/06/2024	\$15,000 (FY23), \$10,000 (FY24)	Contractor & Law Firm assistance required		Practically Commenced	Jun 30, 2024
Finding 2.1.2	25	025 - That DITRDC work with NIRC to resolve wastewater disposal and treatment issues by <ul style="list-style-type: none"> the endorsement of the option recommended in the Balmoral Report funding the detailed design and capital construction of that option. 	Philip Reid	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Continued development of concept design for upgraded STP Commencement of quantity surveying to develop costs for concept design <p>Roadblocks/Risks:</p> <ol style="list-style-type: none"> Completing both design and costings in time for end of April 2023 <p>Next Steps/Actions:</p> <ol style="list-style-type: none"> Work with designer and project manager to meet timeframes, put report and costings to council and provide to Commonwealth for funding 	Stage 1 - 30/06/2023 -- Stage 2 - 30/09/2024	Stage 1 \$1,800,000 - Stage 2 \$15,000,000	<p>Stage 1 - Consultancy and Project management</p> <p>Stage 2 - Contractor and Project management</p>		Practically Commenced	Sep 30, 2024

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.2.4	26	<p>026 - That NIRC undertake a review to establish the funding mechanism, and structure and staff capacity of the NIRC Environment Team</p> <ul style="list-style-type: none"> to provide leadership and professional capability and capacity to work with DITRDC to drive the implementation for wastewater disposal and sewage reticulation infrastructure and means to achieve acceptable environmental standards to provide enhanced level of community education. 	Philip Reid	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Continued concept design development of upgraded STP NIRC continues to work closely with DITRDC to execute the functions in relation to this EAF Minor restructure and new recruitment of the Planning and Environment Department completed <p>Roadblocks/Risks:</p> <p>Nil</p> <p>Next Steps/Actions:</p> <p>Completed</p> <p>Completion Evidence:</p> <ol style="list-style-type: none"> Memorandum 21/04/2023 - Planning and Environment - Updated Organisational Review (Confidential) 	31/03/2023				Completed	Mar 31, 2023
Finding 2.2.11	27	<p>027 - That DITRDC work with NIRC and Parks Australia to resolve – with very high priority - waste disposal issues including the cessation of the disposal of waste at Headstone acknowledging that this will require funding from the Commonwealth Government.</p>	Philip Reid	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>New waste management infrastructure has been secured together with the appointment of a contractor to operate the WMC.</p> <p>Evidence of Completion:</p> <ol style="list-style-type: none"> Public Evidence - Agenda Ordinary Council Meeting - 6 April 2022 Public Evidence - Media Release - Waste Management - 2 August 2022 					Completed	Ongoing
Finding 3.2.5	28	<p>028 - That NIRC undertake a review to establish the structure and staffing capacity of the NIRC Environment Team to work with DITRDC to drive the implementation for waste disposal infrastructure and means to achieve acceptable environmental standards.</p>	Philip Reid	<p>Progress as at 31 December 2022 (1 Oct to 31 Dec 2022):</p> <p>Contractor engaged to deliver Domestic and Commercial Waste Management Services. Funding provided by the commonwealth for Waste and Recycling equipment to manage waste ongoing.</p> <p>Evidence of Completion:</p> <ol style="list-style-type: none"> Public Evidence - Agenda Ordinary Council Meeting - 6 April 2022 Public Evidence - Media Release - Waste Management - 2 August 2022 	28/02/2023		In house	Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.12	29	029 - That the Ports Management Strategy – including the approval processes, design and construction timeline be finalised in order to secure facilities that support NIRC to achieve bio-security compliance.	Philip Reid	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>Completed. Ports Management Plan completed and accepted by Department.</p> <p>First Point of Entry transitional work is underway and likely to be finalised during late 2021 / early 2022.</p> <p>Evidence of Completion:</p> <p>Biosecurity Risk Management Procedures Manual</p>		\$85,000		Yes	Completed	Ongoing
Finding 3.1.4	30	030 - That the Commonwealth and NIRC establish a task force to address the issue of planning, resourcing and implementation of a strategy to protect the unique biodiversity of Norfolk Island.	Philip Reid	<p>Progress as at 30 Sep 2022 (1 Jul to 30 Sep 2022)</p> <p>NIRC has multiple forums with the Commonwealth and community broadly on protection of the island's biodiversity. This includes the Reserves and Conservation Advisory Committee, National Parks Advisory Committee and routine meetings with both DITRDCA and Parks Australia regarding environmental issues, including protection of biodiversity of public and private land. This will also be consulted on through the NI Plan comprehensive review.</p> <p>Evidence of Completion:</p> <p>Public Evidence - Minutes Reserves and Conservation Advisory Committee - 1 August 2022</p>	N/A	N/A	N/A		Completed	Ongoing
Finding 3.1.5	31	031 - That NIRC undertake a review to establish the funding mechanism, and structure and staffing capacity of the NIRC Environment Team to manage implementation of the Pest Management Strategy following its adoption - including the eradication of the Argentine Ants having high priority.	Philip Reid	<p>Progress as at 30 Sep 2022 (1 Jul to 30 Sep 2022):</p> <ul style="list-style-type: none"> Four years of funding for the Argentine Ant Eradication Program has been secured from the Commonwealth, through to FY26. Some priorities identified in the Pest Management Plan have been funded under the SDA where they relate to the Public Reserves. Some minor funding obtained from the Lord Mayor's Charitable Foundation has been provided for a community-based rat control program. No other initiatives, such as cat or island-wide rate eradication has been funded to date. Transferred to BAU <p>Evidence of Completion:</p> <p>Confidential - Services Delivery Agreement - Schedule of Services 2020-23</p>	30 June 2026	\$3.2 million across 4 years (including both AAEP and Public Reserves)	Service Delivery Agreement (SDA)	Yes	Completed	Ongoing
Finding 3.1.6	32	032 - That the NIRC and the Commonwealth develop a joint strategy to address the issue of PFAS contamination on Norfolk Island.	Philip Reid	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Transferred to BAU. PFAS contamination remediation work is in progress. 			DITRDC	Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.1.7	33	<p>033 - Acknowledging that some changes to relevant legislation will be required to provide the basis for compliance actions nominated below, that NIRC establish a ranger position funded in whole or part by the introduction of fees to enhance compliance for:</p> <ul style="list-style-type: none"> Swimming Pool safety fencing – including, given the public safety issues and NIRC risk exposure - retrospective checks on existing pools Compliance of On-site Sewage Management facilities Dog registration and management Cats registration and management, and Apiaries registration and management 	Philip Reid	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Further On-site Sewage Management Facilities inspected in KAVHA catchment Preliminary work conducted with DITRDCA in registering apiaries <p>Roadblocks/Risks:</p> <ol style="list-style-type: none"> Relevant cat registration legislation <p>Next Steps/Actions:</p> <ol style="list-style-type: none"> Further advocacy to Commonwealth Government for legislation on cat registration Commence routine inspections of swimming pool safety fencing 	30/06/2024	\$50,000	Contractor / Lawyer / DITRDCA		Practically Commenced	Jun 30, 2024
Finding 3.2.6	34	034 - That a training and collaborative working arrangements between the NIRC Building Officer and Customer Care staff be put in place.	Philip Reid	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Transferred to BAU A review of this EAF has considered that building approval/inspection advice is best provided by the Building and Planning Team. Customer Care will be advised of the process for customers with building-related questions. Relocation of all customer-facing functions to Bicentennial Building will assist in this. 			In house	Yes	Completed	Ongoing
Finding 3.2.7	35	<p>035 - That NIRC and DITRDC collaboratively:</p> <p>Work with National Archives (NAA) to develop a retention schedule and coordinate the delivery of solutions for records and archiving.</p> <ul style="list-style-type: none"> Develop a concept design for appropriate, purpose-built facilities (air-conditioned and with moisture control) to sustain the life of records, artworks, documents etc. Finalise a records digitisation plan. DITRDC support funding proposals for the construction of purpose-built record storage facilities. 	Stewart Todd	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Numerous records activities have been completed during the last period; which now allows available resources to be allocated to digitisation. NIRC staff and Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDC) staff have met to coordinate the actions required to progress the management of Commonwealth records. <p>Roadblocks/Risks:</p> <p>Lack of input and guidance being provided by the Federal Government.</p> <p>Next Steps/Actions:</p> <p>A Records Digitisation Plan is currently under development.</p>	31/05/2024	\$100,000 per year	In house, Department & some external Contractors	Yes	Practically Commenced	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.2.8	36	036 - That DITRDC and NIRC undertake a review of the Statutory Appointments system to <ul style="list-style-type: none"> Establish improved working and management reporting arrangements Include consideration of more delegation of authority by the Minister to the General Manager for non-judicial appointments. Clarify that statutory appointed staff report directly to the General Manager (or delegate) to remove any confusion as to their accountability. 	Paul Martin	Progress as at 30 June 2022 (1 Apr to 30 June 2022): The Statutory Appointments report has gone to Council. This matter is now complete.					Completed	Ongoing
Finding 2.2.13	37	037 - That DITRDC and NIRC jointly conduct a review of the terms of the Service Delivery Agreement to ensure resource capacity, fairness of requirements as well as providing adequate services to the community.	Andrew Roach	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Completed as at 1/07/2022. The review has been completed and is reflected within the 22-23 Service Delivery Agreement. This review is ongoing. Evidence of completion: Confidential - Service Delivery Agreement - schedule of Services 2022-23	01/07/2022				Completed	Ongoing
Finding 2.1.3	38	038 - That a strategic long-term (and funded) plan for the Island be developed in partnership between NIRC and the Commonwealth, with a focus on practical implementation and with the responsibilities of each party clearly outlined	Paul Martin	Q3 update (1 January to 31 March 2023) The Long Term Financial Plan has been substantially updated and will be ready to adopt at the Extraordinary Council Meeting (Budget) that has been scheduled for Friday 30 June 2023.	Stage 1 - 30/06/2023 -- Stage 2 - 30/06/2024	\$25,000	Stage 1 - LTFP to be completed by LG Solutions Stage 2 - Adopt Administrators' Community Plan (Peak Services Team)		Practically Commenced	Jun 30, 2023
Finding 2.1.4	39	039 - That NIRC and the Commonwealth consider the appropriateness of the infrastructure and service responsibilities of NIRC and make necessary adjustments to enhance its financial sustainability moving forward, with reference given to the outcomes of this Audit	Paul Martin	Q3 update (1 January to 31 March 2023) Work is continuing on the long term roads study, the upgrade of the electricity network in terms of metering and the re-introduction of solar and capital upgrades for the Waste Management Center. As these (and other projects) progress, the capital works and the resulting changes to Council's operating environment will be featured in the Long Term Financial Plan due for completion by 30 June 2023.	30/06/2023	(1) \$800,000 - (2) \$100,000	(1) Consultants Road Study (2) Consultants Parks Maintenance		Practically Commenced	Mar 31, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.2.9	40	040 - That NIRC enhance its asset management practices and project management capabilities to meet its ongoing needs once any adjusted structure and/or responsibilities for the organisation are known.	Gordon Malesevic	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Enhancements to the management of the Communities assets are being carried out by the engagement of external contractors. Their capturing and recording skills are being utilised to supplement the inhouse work being carried out to capture and place an individual condition rating on Council's assets such as buildings, vehicles, land etc. Council has established a dedicated Special Projects Officer role to focus on assets capturing, reporting, and rating, and this is progressing very well. The overall assets work has not been completed yet to enable a robust and accurate future budgetary planning process to be drawn out from. External Consulting Engineers, Milanovic Neale, were engaged by NIRC to inspect and provide an update on all 127 roads, along with bridges and water culverts. This work was carried out on island in February 2023, and the Draft report has been provided in April 2023 for review. The project management capabilities of the organisation need to be improved to enable the delivery to Community the various projects that will ensure projects are delivered within the agreed scope, budget and of the best possible quality standard. <p>Roadblocks/Risks:</p> <p>Nil</p>	30/06/2023	\$250,000	Contractor & Peak Services Team	Yes	Practically Commenced	Jun 30, 2023
Finding 2.3.5	41	041 - That a long-term financial plan for NIRC be developed inclusive of all the capital projects and changes in operating practices required to meet NIRC's compliance and service obligations and to address legacy issues.	Paul Martin	<p>Q3 update (1 January to 31 March 2023)</p> <p>This work is substantially complete and will be finalised during the next reporting period in line with adopting the 23-24 budget at an Extraordinary Council Meeting scheduled for Friday 30 June 2023.</p>	31/03/2023	\$25,000, then \$5,000 per year	Contractor LG Solutions	Yes	Practically Commenced	Mar 31, 2023
Finding 2.2.14	42	042 - That the true financial position of NIRC inclusive of necessary capital projects and operational adjustments be considered when evaluating what infrastructure and service responsibilities are retained by NIRC and in establishing the financial assistance grant that is required from the Commonwealth.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>This matter is closed and transferred to BAU as enhancements to NIRC financial management is covered in detail elsewhere.</p>				Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.15	43	043 - That NIRC continue to levy rates on rateable assessments using a combination of a base charge and a rate in the dollar.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): This item is closed and transferred to BAU. The rating process will mature over time.				Yes	Completed	Ongoing
Finding 3.2.10	44	044 - That NIRC consider the benefits and costs of requesting fresh valuations to be undertaken to ensure that land valuations appropriately reflect easements and other encumbrances (including useability) based on a combination of desktop analysis and on-ground assessment of land parcels.	Paul Martin	Progress as at 30 June 2022 (1 Apr to 30 June 2022): New land valuation has been completed and being used in the calculation of rates for the 22-23 Financial Year.					Completed	Ongoing
Finding 3.2.11	45	045 - That NIRC consider phasing in increases in the sewerage charge to more appropriate levels to ensure increased scheme cost recovery.	Philip Reid	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: 1. No further increases to sewer connection charges outside of CPI proposed for FY24 2. Preliminary work conducted on sewer extensions and private connections Roadblocks/Risks: 1. Significant increases in connection fees may discourage voluntary connection to the sewer network Next Steps/Actions: 1. Charges will be reviewed in the future in line with STP upgrades	01/05/2023		In house	Yes	Planning	May 01, 2023
Finding 2.1.5	46	046 - That NIRC continue to apply a waste (import) levy to help fund waste management activities.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Completed with the adoption of the 22-23 budget. Transferred to BAU. Evidence of completion: OCM Res: 2022/82 Public Evidence - Minutes Ordinary Council Meeting - 6 July 2022				Yes	Completed	Ongoing
Finding 3.2.12	47	047 - That NIRC consider phasing in moderate increases in waste disposal fees to help fund increasing waste management obligations, noting that any significant increases will increase the risk of illegal burning, burial and dumping of waste.	Paul Martin	Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022): <ul style="list-style-type: none"> New Waste Management Fee introduced in 2021-2022 Budget. Existing Miscellaneous Waste Management fees increased in 2021-2022 Budget. Ongoing review of best ways to fund waste management obligations to be undertaken during 2021-2022 financial year. All action is finalised and EAF completed. 					Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.1.8	48	048 - That NIRC continue to apply a fuel levy to help fund road maintenance, and potentially increase the levy to raise additional revenue for roads.	Paul Martin	Q3 update (1 January to 31 March 2023) Nothing to report as this matter has been transferred to business as usual.	30/04/2023	Nil	In house/ Peak Services Team	Yes	Completed	Apr 30, 2023
Finding 2.1.6	49	049 - That NIRC ensures that it sets its user fees and charges on a cost reflective basis inclusive of overheads.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Completed in ongoing budgets so transferred to BAU. Evidence of completion: OCM Res: 2022/8 Public Evidence - Minutes Ordinary Council Meeting - 6 July 2022				Yes	Completed	Ongoing
Finding 2.1.7	50	050 - That the Commonwealth consider the transfer of responsibility for the infrastructure-based, non-traditional business enterprises out of NIRC given the significant financial sustainability risks placed on NIRC from their ongoing operation.	Sandra McFeeters	Refer comments EAF63 and EAF57	31/12/2022 & 30/06/2023	In house	Transfer to Department for KAVHA		Practically Commenced	Jun 30, 2023
Finding 2.1.8	51	051 - That NIRC retain responsibility for the liquor bond given its important net financial contribution to NIRC relative to other revenue sources.	Sandra McFeeters	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Complete as Liquor Bond remaining with Council. Transferred to BAU.				Yes	Completed	Ongoing
Finding 2.1.9	52	052 - That the Commonwealth continue to refine the Financial Assistance Grants to account for the ongoing and changing disability factors impacting NIRC's infrastructure and service provision on the Island.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Completed by virtue of the increase to the Financial Assistance Grant. Transferred to BAU. The level of Financial Assistance Grants (FAG) now accounts for these factors and will continue to be refined.				Yes	Completed	Ongoing
Finding 2.1.10	53	053 - That NIRC and the Commonwealth collaboratively develop a clearly articulated, costed, and funded long-term plan developed to meet NIRC's public health and environmental obligations and agreed strategic objectives for the Island.	Philip Reid	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Occurring as part of the Service Delivery Agreement (SDA). Completed. Evidence of Completion: Confidential - Services Delivery Agreement - Schedule of Services 2022-23	June 2023	Nil	Sampling and analysis, as allowed for under the SDA	Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.1.11	54	054 - That the Commonwealth retain the use of NIRC resources for the provision of SDA responsibilities where possible, given that any change in the arrangements has the potential to undermine the financial sustainability of NIRC.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>As a three (3) year Service Delivery Agreement (SDA) commencing from 1 July 2022 has been signed by the General Manager this item has been transferred to BAU.</p> <p>Evidence of completion:</p> <p>(Confidential) Deed of Variation SDA 25 July 2022</p>				Yes	Completed	Ongoing
Finding 4.1.4	55	055 - That special arrangements for NIRC to introduce a local GST as a revenue raising mechanism not be considered, but that a GST be considered by the Commonwealth as a possible mechanism to fund its growing financial obligations on the Island with due consideration given to the offsetting administration and transaction costs associated with managing GST arrangements, compliance on a small, isolated Island, and the flow-on effects on the cost of living/visiting and doing business on the Island.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Matter Referred to Department. Not within Council's Capacity. Unsure of Commonwealth position on this matter. 	Completed. Matter referred to Department				Completed	Ongoing
Finding 4.1.5	56	056 - That NIRC consider the establishment of a formal development contributions plan and associated charges to assist in funding facilitating infrastructure.	Philip Reid	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <p>1. Preliminary work conducted to consider potential yield from a developer contribution scheme</p> <p>Roadblocks/Risks:</p> <p>1. Yield from program is likely to be low based on size and value of most developments</p> <p>Next Steps/Actions:</p> <p>1. Complete formal report to be delivered to Council on feasibility of a developer contribution scheme</p>	31/03/2023	\$25,000	Contractor / Law Firm		Planning	Mar 31, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.16	57	057 - That NIRC and the Commonwealth consider alternative arrangements for the airport that reduce the financial exposure of NIRC to the airport's reliance on revenue from tourist visitation and high fixed operating costs, which may involve one of the following (noting a preference for airport ownership at a minimum to be transferred to the Commonwealth given associated financial sustainability risks): <ul style="list-style-type: none"> Transfer of ownership and management of the airport to the Commonwealth Transfer of ownership of the airport to the Commonwealth, with NIRC retaining management and operational control for a nominated annual lease fee and the Commonwealth having input into decisions impacting on its assets. 	Sandra McFeeters	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Quotes sourced for developing a Business Case Feasibility study of alternative arrangements for the Airport. Ongoing management of accurate invoicing of Fees has resulted in significantly improved revenues. Reporting EOM February 2023 revenues of \$3.99M an improvement on YTD 2021/22 of 189% and an improvement on YTD 2020/2021 of 192% in revenues. <p>Roadblocks/Risks:</p> <ol style="list-style-type: none"> NIL <p>Next Steps/Actions:</p> <ol style="list-style-type: none"> Seek approval from General Manager to secure contract 	31/12/2023	Seek Adhoc funding through SDA \$50,000	Internal and Contractor		Practically Commenced	Dec 31, 2023
Finding 2.1.12	58	058 - That NIRC and the Commonwealth consider alternative arrangements for the electricity, telecom and sewerage utilities, which may involve one or more of the following: <ul style="list-style-type: none"> Establishment of a utilities arm covering electricity, telecom and/or sewerage (and potentially water supply if more centralised management and/or provision is required) that is the joint responsibility of NIRC and the Commonwealth but where the assets are not owned or funded in any way by NIRC. Governance of the utilities arm could be via a Board arrangement with representatives from both NIRC and the Commonwealth in addition to potential representation by industry experts (subject to a cost-benefit assessment given the limited scale and scope of operations on the Island). Commonwealth funding would be required to cover capital funding requirements and operational shortfalls on an ongoing basis to ensure affordability Transfer of responsibilities for electricity and/or sewerage to a State partner or similar, with the Commonwealth responsible for funding any operational shortfall on an ongoing basis to ensure service affordability and service charges comparable to other Australian jurisdictions Divestment of the telecom function to Telstra, with the Commonwealth ensuring appropriate service provision at an affordable price under a universal service obligation arrangement 	Gordon Malesevic	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <p>All of these matters are currently under consideration within their relevant business cases at various stages. Priority, however, has been focused on developing an asset base that has the potential to be divested. Whether this decision is in the best interest of the Community will be decided on an individual basis with each asset class.</p> <p>Roadblocks/Risks:</p> <p>The current target date of 31 March 2023 will need to be extended to 30 Jun 2023 for the purpose of assessment and preparation of business cases ad resources.</p>	30/06/2023	\$250,000	31/12/2022 - Stage 1 - \$140,000 Divestment of Telecom function - Business case written & submitted to Department, awaiting result. 28/02/2023 - Stage 1 - \$10,000 Establishment of Utilities arm - Contractor to write business case for Power/Water/Wastewater operation 31/03/2023 - Stage 2 - \$100,000 Divestment of Telecom function - Consultant for community consultation of Business case.		Practically Commenced	Jun 30, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.1.13	59	059 - That the introduction of any alternative arrangements in relation to the establishment of a utilities arm maximises the employment of local workers where possible rather than utilising external outsourcing.	Paul Martin	Q3 update (1 January to 31 March 2023) Nothing to report as this matter has been transferred to business as usual.	30/11/2022	Nil	Peak Services Team	Yes	Completed	Nov 30, 2022
Finding 2.1.14	60	060 - That responsibility for the liquor bond remain with NIRC given the significant financial contribution it provides to NIRC and has limited financial and resourcing risk.	Sandra McFeeters	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): As there is no suggestion that the bond sits anywhere other than Council, this matter is closed and transferred to BAU.				Yes	Completed	Ongoing
Finding 2.1.15	61	061 - That responsibility for the waste function remain with NIRC, but with the necessary capital and operational funding assistance provided by the Commonwealth to ensure that NIRC can meet its environmental and public health obligations.	Philip Reid	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: 1. Continued delivery of recycling equipment to manage municipal waste 2. Formal procurement of excavator and skidsteer 3. 10-ft shipping containers procured to conduct trial on removal of bulky waste Roadblocks/Risks: 1. Ongoing freight complexities and delays. Heavy equipment (shredder, excavator etc) unable to be brought to island currently 2. Flow-on impacts to commencement of municipal waste contractor operations Next Steps/Actions: 1. Continue to work on delivery of waste equipment, work with contractor to commence operations prior to July	31/03/2023	\$3,200,000	Contractor engaged for day to day waste operations scheduled to commence by February 2023. Tender for remaining waste equipment, not associated with contractor, to be awarded in October 2022.	Yes	Practically Commenced	Ongoing
Finding 3.1.9	62	062 - That the easements required to operate the utilities servicing the Island be formalised, with appropriate valuation adjustments and compensation payments arranged.	Philip Reid	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: 1. Procurement plan developed for assistance in formalising easements Roadblocks/Risks: 1. Finding an appropriate resource to negotiate with landholders Next Steps/Actions: 1. Engage resource to finalise draft easements and negotiate with landholders	31/10/2023	\$1,500,000	VG, surveyor, Lawyer & Contractor		Practically Commenced	Oct 31, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.2.13	63	063 - That the Commonwealth and NIRC consider the most appropriate option for the ARFFS to ensure that NIRC and the local community are not subsidising the service, noting that NIRC's financial sustainability position would be enhanced if it were not responsible for funding the service at all and any risks associated with fluctuating passenger fee revenues are removed altogether and transferred to the Commonwealth and/or ASA. The alternative options may be to integrate service provision with ASA and/or extend Commonwealth SDA funding to include ARFFS.	Sandra McFeeters	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Continued management of accurate invoicing of Aviation Rescue Firefighting Services (ARFFS) fees has resulted in the improvement of revenue streams. As of February 2023, revenue streams were reported as \$446K, a 441% increase on 2012/22 YTD results. Radio communications agreement was signed 12 January 2023. <p>Roadblocks/Risks:</p> <ol style="list-style-type: none"> Air Services Australia (ASA) confirmed the support of training needs and modules for August/September 2022, however to date have not provided quotes for the provision of service which is essential in understanding the real cost of the service provision. Council has separated Norfolk Island Fire Services from the Council Enterprise Bargaining Agreement (EBA) and is negotiating a new Enterprise Agreement outside of the Council EBA. <p>Next Steps/Actions:</p> <ol style="list-style-type: none"> Continue to seek quotes from Air Services Australia (ASA). 	30/06/2023	\$200,000	External Contractor & Training providers. Council Management & Department for decisions.		Practically Commenced	Jun 30, 2023
Finding 2.1.16	64	064 - That the Commonwealth and NIRC consider the available options to mitigate against the 'State Disconnect' that presently exists, including: <ul style="list-style-type: none"> The provision of additional, specified annual operational and capital funding support to NIRC by the Commonwealth based on established benchmarks The establishment and delivery of an agreed long-term, funded program of infrastructure and service delivery between the Commonwealth and NIRC to meet compliance and service obligations Delivery of financial and non-financial support via a State partner, with the Commonwealth compensating the State partner. 	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>No change from last quarter.</p> <p>Action has been taken in terms of the level of Federal Assistance Grants (FAG) and in progress by the Department's Queensland Team. This will be a lengthy exercise however we would expect an update from the Commonwealth during the second half of this financial year so Council has a chance of meeting the June 2024 deadline.</p>	30/06/2024	\$40,000	1/07/2022 - Provision of Capital Funding - Inhouse 31/05/2024 - Establishment funded program - Contractor 30/06/2024 - Delivery of Support - Department	Yes	Upcoming	Jun 30, 2024

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.1.10	65	065 - That the Commonwealth and NIRC – in conjunction with the appropriate representative group/s – develop an action plan to address known barriers to economic development and accepted opportunities for industry growth.	Sandra McFeeters	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> 1. Retail Price index (RPI) for March 2023 is currently under way and new contract for the upcoming 2023 quarters is approved. 2. Council approved the appointment for Delta Pearl Partners to undertake a new Household Expenditure Survey (HES). 3. Work has commenced on the current 2023 HES. 4. Council approved the appointment of Delta Pearl Partners to develop a Norfolk Island - Annual Economic Update, Strategy and Outlook which will be used to address known barriers and develop opportunities with the Business Innovation and Tourism Advisory Committee (BITAC). <p>Roadblocks/Risks:</p> <ol style="list-style-type: none"> 1. Lack of relevant and current data packages has delayed implementation of an action plan to address barriers and develop opportunities for Economic Development. <p>Next Steps/Actions:</p> <ol style="list-style-type: none"> 1. Rollout of 2023 HES. 2. Review of Norfolk Island - Annual Economic Update, Strategy and Outlook with the BITAC. 3. Extend the close out date of this External Audit Finding to 30 June 2024. 	30/06/2024	\$97,900	Contractor		Practically Commenced	Feb 28, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.1.11	66	066 - That the Commonwealth and NIRC – in conjunction with the appropriate representative group/s – develop business cases to explore the economic viability of identified opportunities to expand the economic base of Norfolk Island.	Sandra McFeeters	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Council approved the appointment of Delta Pearl Partners to develop a Norfolk Island - Annual Economic Update, Strategy and Outlook which will be used to identify barriers to Economic Development, as well as opportunities for economic growth, which can be workshopped with the Business, Innovation, and Tourism Advisory Committee (BITAC). <p>Roadblocks/Risks:</p> <ol style="list-style-type: none"> Key data has not been available, and several projects have addressed this with a new Retail Price index (RPI) in place calculating inflation rates on a quarterly basis and the key drivers of inflation. <p>Next Steps/Actions:</p> <ol style="list-style-type: none"> Presentation of the first Annual Economic Update, Strategy and Outlook report to the BITAC as well as the Business Council Norfolk Island (BCNI). Work with both to develop business cases for agreed opportunities for economic growth. 	Ongoing quarterly reports via BITAC	\$50,000 per year	BITAC & Contractors		Practically Commenced	Sep 30, 2024
Finding 2.2.17	67	067 - NIRC reconfigure Civica Authority to meet the business requirements of NIRC with an initial focus on simplifying the chart of accounts and general ledger. As the basis for all financial management reporting these two indexes are critical to accurately record all financial transactions during each accounting cycle.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Refer EAF 72 - work on improving reporting addresses concerns regarding chart of accounts. All action is finalised and EAF completed. 					Completed	Ongoing
Finding 3.2.14	68	068 - NIRC improve integration between the Civica Finance module and other corporate systems to leverage the revised chart of accounts.	Paul Martin	<p>Q3 update (1 January to 31 March 2023)</p> <p>This work is ongoing and is progressing by the implementation of certain internal audit recommendations around chart structure.</p>	30/06/2024	\$50,000	New Asset Accountants and other contractors		Practically Commenced	Jun 30, 2024
Finding 3.2.15	69	069 - NIRC negotiate an improved support plan with Civica to improve responsiveness.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Target date to complete integrations has been pushed out to the start of next financial year due to resourcing and technical issues. 					Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.2.16	70	070 - NIRC establish a mentoring relationship with a sister council using Civica, such as Port Macquarie-Hastings, to encourage knowledge sharing and professional development.	Paul Martin	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: This work is ongoing but has currently stalled as Council are now implementing the Altitude software. Roadblocks/Risks: The target completion date for this EAF will need to be extended due to the current Altitude software implementation. Next Steps/Actions: Identify the approach that Council will take to transfer to Altitude.	31/12/2023	\$90,000	Moved to Altitude Cloud based solutions to achieve		Practically Commenced	Feb 28, 2023
Finding 3.2.17	71	071 - NIRC provide staff with training in the use of Civica as the core enterprise platform.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Completed. Transferred to BAU.				Yes	Completed	May 31, 2024
Finding 2.3.6	72	072 - NIRC implement a solution to increase transparency across the budgeting and planning process and assist with long term financial modelling by leveraging current investments and options available in the existing systems ecosystem.	Paul Martin	Q3 update (1 January to 31 March 2023) Budget development has been documented and now transferred to business as usual.	30/06/2024	\$70,000 per year	Software Solution	Yes	Completed	Jun 30, 2024
Finding 3.1.12	73	073 - NIRC identify critical business processes and design workflows to streamline the collection, processing and storage of data. The core area where workflows were found to be inadequate relate to planning and development. Although this is not the only area where improved workflow capability is required, it is recommended that development of the following workflows is prioritised to immediately improve operational efficiency. Suggested workflows include: <ul style="list-style-type: none"> Building Applications Development Applications 	Phillip Reid	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: 1. Preliminary discussions with CIVICA to complete workflows 2. Building Inspection tool nearing completion Roadblocks/Risks: 1. Nil Next Steps/Actions: 1. Scope work to complete workflows in CIVICA 2. Complete building inspection tool and roll out to approval holders	30/06/2024	\$25,000 (FY23), \$25,000 (FY24)	Contractor		Practically Commenced	Jun 30, 2024

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.1.13	74	074 - NIRC develop templates to support business requirements and update reference tables to pre-populate data.	Philip Reid	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <p>1. Building inspection tool nearing completion</p> <p>Roadblocks/Risks:</p> <p>1. Nil</p> <p>Next Steps/Actions:</p> <p>1. Complete building inspection tool</p>	30/06/2024	\$25,000 (FY23), \$25,000 (FY24)	Link to 3.1.12 EAF 73 Programming consultant		Practically Commenced	Jun 30, 2024
Finding 2.2.18	75	075 - NIRC implement the blueprint across 3 horizons of activity (capabilities, processes, and systems).	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Progress as at 30 Jun 2022 (1 Apr to 30 Jun 2022): Activities ongoing to maximise investment in Civica. Refer EAF 72 (Finding 3.2.6) and EAF 106 (Finding 2.3.15). 				Yes	Completed	Ongoing
Finding 2.3.7	76	076 - That NIRC update its Workforce Plan to include analysis of current and future resourcing needs.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Submitted by Argant Group May 2022. Business Paper submitted to Council Meeting 9 June 2021. Council approved the Argant Group to develop the Norfolk Island Regional Council Workforce Plan. Argant Group has now been engaged. Development of the Workforce Plan is being revisited, with consideration of the implications arising from efficiency targets set by Council for 2021-22. Draft in for consideration and action. 			Submitted by Argant Group May 2022	Yes	Completed	Ongoing
Finding 2.3.8	77	077 - That the updated Workforce Plan be the vehicle for integrating the “companion” plans of TAAPII and the People and Culture Business Plan.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Transferred to BAU. To be progressed based on the work undertaken by the Argant Group in developing the NIRC Workforce Plan. Refer to EAF 76. The argant report is in and is being worked on in this regard. 				Yes	Completed	Ongoing
Finding 2.2.19	78	078 - That an organisation-wide skills inventory and training needs analysis be undertaken in conjunction with the implementation of the Performance Appraisal system to form the basis of annual training plans.	Paul Martin	<p>Q3 update (1 January to 31 March 2023)</p> <p>Substantial work on implementing the new Performance Appraisal system has occurred during the quarter with the Training Needs Analysis on track to be completed by 30 June 2023.</p>	30/06/2023	\$60,000	Peak Services Team (HRC) with some external Contractor assistance	Yes	Practically Commenced	Jun 30, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.20	79	079 - That a detailed review be undertaken of human resource related policies and procedures to identify any gaps and update if necessary, clearly differentiating policies requiring Council endorsement as opposed to administrative procedures.	Paul Martin	Q3 update (1 January to 31 March 2023) This policy review is continuing to be progressed in conjunction with with the existing review of the Council's ANI transitioned policies, and is on track to be completed within the next reporting period.	30/04/2023	Nil	Linked to EAF 78	Yes	Practically Commenced	Ongoing
Finding 2.2.21	80	080 - That NIRC conduct a comprehensive review of its investment in organisational development, informed by input from the first round of performance appraisals and a focused training needs analysis	Paul Martin	Q3 update (1 January to 31 March 2023) Nothing to report.	30/06/2024	\$50,000	HRO - Peak Services Team and Contractor		Not Yet Commenced	Jun 30, 2024
Finding 2.2.22	81	081 - That a report be prepared for Council evaluating the implementation of the Performance Appraisal system and identifying any areas for improvement, particularly in relation to its integration with the organisational development strategy.	Paul Martin	Q3 update (1 January to 31 March 2023) The new Performance Appraisal System (Employment Hero) has now been selected, purchased, and is in the process of being implemented.	28/02/2023	\$50,000	HRO - Peak Services Team and Contractor		Practically Commenced	Feb 28, 2023
Finding 2.2.23	82	082 - That in future iterations of the Operational Plan and Delivery Plan performance indicators and targets should be reviewed or refined.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> Draft Operational Plan 2021-2022 performance indicators and targets developed and linked to strategic objectives. All action is finalised and EAF completed. Transferred to BAU. Evidence of completion: Public Evidence - 2022-2023 Operational Plan Public Evidence - 2022-2026 Delivery Program					Completed	Ongoing
Finding 3.1.14	83	083 - That Departments and Business Units be encouraged to prepare an annual Business Plan for their own areas of responsibility, incorporating performance indicators based on key business outcomes and service levels.	Paul Martin	Q3 update (1 January to 31 March 2023) Highlights/Accomplishments for the Q3 period: Pilot business planning has commenced for airport operations. Roadblocks/Risks: Unable to make the 28 February 2023 closing date due to staff resourcing allocations. Next Steps/Actions: Extend the target completion date to 30 June 2023 and continue with the business plan.	30/06/2023	\$10,000	In House / Peak Services Team	Yes	Practically Commenced	Feb 28, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 3.3.1	84	084 - That Departments produce monthly 'Dashboard' reports of performance against project targets and service levels to help condense status reports.	Paul Martin	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <p>Work has progressed with Shave & Brett, LG Consultants, to develop dashboards for Council managers from within the BIZ reporting tools.</p> <p>Roadblocks/Risks:</p> <p>Nothing of substance, Council are on track to have some baseline dashboards in place by 30 June 2023.</p> <p>Next Steps/Actions:</p> <p>Continue with the dashboard development.</p>	30/06/2023	\$50,000	Finance Contractor with Peak Services & Managers	Yes	Practically Commenced	Jun 30, 2023
Finding 1.1.1	85	085 - To achieve industry benchmarks and improve financial performance, Council should budget to achieve a net operating surplus before capital revenue.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>The 22-23 budget adopted in July 2022 has forecast an operating surplus of \$500,000.</p>	31/12/2023	\$120,000 (\$96,000 for S&B plus \$24,000 additional)	Appointed Shave & Brett \$8,000 / month x 12	Yes	Upcoming	Dec 31, 2023
Finding 1.1.2	86	086 - Given the current uncertainty over Council's revenue streams, Council should consider opportunities for reducing operating costs. We understand that Council has implemented an organisational restructure, including redundancies for twenty permanent roles and a significant reduction in casuals and non-replacement of some vacant positions. It is expected to generate cost savings of approximately \$2 million per annum. Council has also recently determined to purchase new batteries and generators for the Norfolk Island power house with a view to reducing diesel fuel costs.	Paul Martin	<p>Progress as at 30 September 2022:</p> <p>Completed as described in the previous update and transferred to BAU.</p> <p>Progress as at 30 Jun 2022 (1 Apr to 30 Jun 2022):</p> <p>A series of redundancies have been effected. The smart meter roll out and lifting the solar moratorium has commenced. These actions will lead to lesser reliance on diesel power generation and the impost of rising fuel costs.</p>				Yes	Completed	Ongoing
Finding 2.2.24	87	087 - Council should carefully monitor the accumulation of outstanding rates and other debts and perform appropriate collection activities.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Outsourced to Collections House (QLD) Resourcing of all Finance activities are under review, including debt collection. Review to be completed by 31 August 2021. Review has been completed and negotiations are underway to outsource finance functions including debt collection. 				Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.25	88	<p>088 - Council needs to restore its cash position to ensure it has sufficient cash to adequately cover trust balances and liabilities for employee leave entitlements, fund day to day operations and meet its obligations as they fall due. This may be achieved through:</p> <ul style="list-style-type: none"> Budgeting for and achieving cash surpluses Ensuring expenditure budgets are closely monitored and managed Carefully monitoring the accumulation of outstanding debts and ensuring appropriate recovery action is taken Borrowing – whilst Council is currently debt free and does have the ability to borrow under the Local Government Act, it not generally recommended to borrow for operational purposes. Any consideration of borrowing would also need to take into account Council's ability to service the debt. It is also noted that borrowing is a charge on the income of Council and the current uncertainty over Council's income streams may limit the Council's ability to borrow. The receipt of an injection of additional government funding. 	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ol style="list-style-type: none"> Completed. In House reporting monthly. Council is forecast to meet the \$8M target by 30 June 2023. 			In House - reported monthly	Yes	Completed	Ongoing
Finding 1.1.3	89	<p>089 - Given that overruns on major projects have greatly contributed to the depletion of Council's reserves, it is important that:</p> <ul style="list-style-type: none"> Council ensure that it fully understands the implications on its finances in both the short and long term before approving projects Project budgets include an appropriate allowance for contingencies and how these would be funded Projects budgets be carefully monitored and managed. 	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>The internal report referred to last quarter was received on 19 September 2022. Management is in the process of responding to the recommendations therein and forwarding to the Audit, Risk & Improvement Committee. The internal audit recommendations will be implemented between now and the finalisation of the 23-24 budget with reliance on the various project control groups to take ownership of budget monitoring & maintenance.</p>	30/06/2023	\$15,000	ARIC engages Pacifica to complete review and develop internal Policy		Upcoming	Jul 30, 2023
Finding 2.2.26	90	<p>090 - Council needs to restore its working capital position to ensure it has sufficient resources to fund day to day operations and to provide a buffer against unforeseen and unbudgeted expenditures.</p>	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. In house, reported monthly. Refer EAF 88 				Yes	Completed	Ongoing
Finding 2.3.9	91	<p>091 - Asset Management Plans should be reviewed and updated in accordance with the guidance provided in the Integrated Planning and Reporting Manual for local government in NSW.</p>	Paul Martin	<p>Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022):</p> <ul style="list-style-type: none"> AssetFinda software implemented. Contractor engaged to coordinate review of integrated planning and reporting manual and update Asset Management Plans and to reconcile asset management tools in AssetFinda. All action is finalised and EAF completed. 					Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.3.10	92	092 - The asset management system that is being purchased should be implemented as soon as practicable and be populated with the most current asset data available including asset specifications, costs, useful lives and conditions determined through the recent revaluation. Going forward, the data in the system should be maintained and updated as necessary.	Paul Martin	<p>Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022):</p> <ul style="list-style-type: none"> AssetFinda software implemented. Action completed and EAF closed. 					Completed	Ongoing
Finding 2.2.27	93	093 - A detailed assessment of Council's infrastructure assets should be undertaken to establish an accurate cost to address Council's infrastructure backlog.	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> Completed. Reported in 30/06/2022 Financials. Progress as at 30 Jun 2022 (1 Apr to 30 Jun 2022): The assessment is underway and due to be finished before 30 September 2022. 			Reported in 30/06/2022 Financials	Yes	Completed	Ongoing
Finding 2.2.28	94	094 - Programs should be developed and costed for asset rehabilitation/renewal and maintenance over both the short and long term to ensure Council can meet industry benchmarks for buildings and infrastructure renewals and infrastructure backlog.	Gordon Malesevic	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <ol style="list-style-type: none"> Enhancements to the management of the Communities assets are being carried out by the engagement of external contractors. Their capturing and recording skills are being utilised to supplement the inhouse work being carried out to capture and place an individual condition rating on Council's assets such as buildings, vehicles, land etc. Council has established a dedicated Special Projects Officer role to focus on assets capturing, reporting, and rating, and this is progressing very well. The overall assets work has not been completed yet to enable a robust and accurate future budgetary planning process to be drawn out from. External Consulting Engineers, Milanovic Neale, were engaged by NIRC to inspect and provide an update on all 127 roads, along with bridges and water culverts. This work was carried out on island in February 2023, and the Draft report has been provided in April 2023 for review. <p>Roadblocks/Risks:</p> <p>The target completion date of 31 March 2023 will need to be extended to 30 June 2023 as the Condition Rating and Assets Policy and system is currently being developed. This policy and system will allow for accurate and robust short term and long term estimates on resources and budgets to be drawn down.</p>	30/06/2023	\$500,000 (Grant)	Contractor appointed with DITRDC support.	Yes	Practically Commenced	Jun 30, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.3.11	95	095 - The use of a system driven financial reporting tool should be investigated to enable accurate real time reporting. Manual processes not only lack efficiency, they also increase risk of human error and reduce the effectiveness of financial data in decision making. We understand that Council has planned for a Civica system upgrade. As part of the upgrade, Council should investigate whether the upgraded Civica reporting tool (Business Intelligence Solution, or 'BIS') will meet its reporting needs or whether another reporting software option is appropriate.	Paul Martin	Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022): <ul style="list-style-type: none"> Refer to Item EAF 72. Council has adopted BIS reporting and is finalising report templates for rollout with Q1 budget review, and ongoing monthly reporting for Managers and Team Leaders. All Action is finalised and EAF complete 					Completed	Ongoing
Finding 2.2.29	96	096 - The existing chart of accounts should be reviewed and redundant accounts and inconsistencies addressed. As part of this review, management should consider whether the chart of accounts meets their needs and whether a complete restructure would be preferred.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> Review of chart conducted by contractors Refer EFT72 Redundant accounts identified & inconsistencies addressed New Hierarchy level introduced significantly improving reporting capability Review of GL to be incorporated in daily, monthly monthly close protocol All action is finalised and EAF completed. 					Completed	Ongoing
Finding 2.2.30	97	097 - As the accuracy of source data is heavily reliant upon transaction initiators across various departments of the Council, it is important that they know how the system works and have a clear understanding of which work orders/tasks should be used and in what circumstances. A formal list of work orders/tasks should be established, communicated across the organisation to ensure staff are using them correctly, and the appropriate use of the list of work orders should be monitored. Staff training should be provided on a regular basis.	Paul Martin	Q3 update (1 January to 31 March 2023) Nothing to report as this matter has been transferred to business as usual.	28/02/2023	\$20,000	ARIC process. Report submitted now implementation.	Yes	Completed	Feb 28, 2023
Finding 2.2.31	98	098 - The budgeting process should be formally documented and a budget handbook/manual developed that guides the development of the annual budget. Staff training should be provided on the use of the manual and use of the manual monitored.	Paul Martin	Q3 update (1 January to 31 March 2023) This work has been substantially progressed during the quarter in line with the 23-24 budget development and is on track to be completed by the target date of 31 May 2023.	31/05/2023	\$100,000	Finance coaching now in place for new budget process	Yes	Practically Commenced	May 31, 2023
Finding 2.2.32	99	099 - Budget managers across the Council should be involved in the budgeting process in order to provide input and confirm the veracity of assumptions applied.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): This item is closed and has been transferred to BAU. Managers input their own 22-23 budgets into CIVICA and will be asked to review their own areas during the upcoming first quarter budget review.				Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.33	100	100 - Budget managers should be provided with progressive management reporting and training to assist them in monitoring and managing their budget responsibilities.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> Completed. In house BIZ function. Refer EAF 71 Transferred to BAU 				Yes	Completed	Ongoing
Finding 2.3.12	101	101 - Consideration should be given to implementing a system or web-based solutions to better manage the budgeting and monitoring processes.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): Refer EAF 72 for discussion on OpenGov, Envisio access and the development of a budget manual. CIVICA Altitude is also web based.	31/12/2023	\$70,000 per year	Software Solutions	Yes	Upcoming	Dec 31, 2023
Finding 2.2.34	102	102 - Council should review whether there are efficiencies that can be gained from utilising some of the underutilised modules and whether there are opportunities for cost savings in respect to items not required. Council should ensure that the Civica modules used and any software purchased separate to Civica are fit for purpose. For any software independent of Civica, the compatibility with Civica should be ensured in order to reduce manual manipulation of data and increase efficiencies. To reduce labour intensive activities, consideration should be given to fully utilising the Document Management System. This would not only save time when searching for documents, but also the ability to link a document to a transaction or entry would provide easy access when reviewing entries.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): CIVICA in the cloud (Altitude) contract has been signed, as has the upgrade from CM9 to CM10 for document management and this is currently underway. Work has been done in terms of full use of CIVICA for payroll including time sheeting. This will be progressed further over the next six months to coincide with a target Altitude go live date of 28 February 2023.	31/12/2023	\$60,000 per year	In house, Peak Services Team and some IT Contractors	Yes	Upcoming	Dec 31, 2023
Finding 2.3.13	103	103 - Regarding the procurement process, it is recommend that staff be trained on the importance of raising purchase orders before expenditure is incurred with suppliers. This control should be enforced by management and will enable them to accurately report future expenditure and manage cash flow.	Paul Martin	Q3 update (1 January to 31 March 2023) Nothing to report as this matter has been transferred to business as usual.	31/03/2023	\$8,000	Training & workflows fixed. Finance Coach.	Yes	Practically Commenced	Mar 31, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.3.14	104	<p>104 - The payroll function has a number of labour intensive activities, which also have a high risk of error due to a significant amount of manual input, including timesheets and leave accruals. Consideration should be given to utilising the system or appropriate add-ons to automate those processes, including the following:</p> <ul style="list-style-type: none"> • Completion of timesheets with appropriate authorisation levels; • Linking of timesheets to pay runs; • Automated timesheets for those administrative employees that are not required to allocate their time to jobs; • Calculation of overtime hours, allowances and other payroll related values; • Calculation of all leave accruals; • Reduction in leave balances for leave taken, linked to timesheets; and • Reporting of current leave balances on payslips so employees can accurately project their leave entitlements for future planning. <p>It is also recommended that Council implement an additional detective control, being the independent review of the payroll master-file after each pay run. This will reduce the risk of errors through mistakes or fraudulent activity</p>	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <p>This item is closed and transferred to BAU as payroll processing now predominately contracted out.</p>				Yes	Completed	Ongoing
Finding 2.2.35	105	<p>105 - Whilst acknowledging segregation of duties can be difficult to achieve with a small team, it is desirable to limit an employee's involvement in all aspects of the receipting cycle. Additional controls to reduce risk should be considered including:</p> <ul style="list-style-type: none"> • Independent review of end of day reconciliations; • Independent employee responsible for banking cash using banking slips which can be matched to deposit slips obtained from the bank; • Detailed bank reconciliations performed by an employee independent of the receipting system; and • Monthly reconciliations of external unintegrated systems to the general ledger. 	Paul Martin	<p>Progress as at 30 Sept 2022 (1 July to 30 Sept 2022):</p> <ul style="list-style-type: none"> • Completed, transferred to BAU. • Refer EAF 96 (Finding 2.2.29) and EAF 106 (Finding 2.3.15). • Segregation of duties testing to be included in 2021-2022 Internal Audit Plan and referred to subsequent meeting of Audit Committee after results received. • Many of these initiatives will be introduced before the start of the 22-23 financial year. 			Audit, Risk and Improvement Committee (ARIC)	Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.3.15	106	106 - The issues identified surrounding the bank reconciliation appear to relate to a lack of appropriate training provided to Council staff, likely due to the high turnover in recent times. Council should identify all unknown differences in the bank reconciliation and investigate these items to ensure postings are accurate and allocated correctly. Going forward, employees responsible for the bank reconciliation should be provided with any necessary training in the bank reconciliation process. The reconciliations should be reviewed on a regular basis by an officer independent of the preparer.	Paul Martin	<p>Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022):</p> <ul style="list-style-type: none"> A Civica specialist has provided Bank Reconciliation Training to Finance staff. Significant progress has been made in clearing unreconciled revenue and expenditure held in suspense accounts. End of month processing procedures will be implemented by 31 July 2021 that will address timeliness and accuracy issues. Action completed and EAF closed 					Completed	Ongoing
Finding 2.3.16	107	107 - Consideration should be given to utilising the Asset Accounting system available in Civica Authority, or an alternative, and upload an up to date, complete fixed asset register into the system. Prior to uploading, the Council should complete a comprehensive clean-up of the fixed asset register spreadsheet, confirming asset values, useful lives and the completeness of the register, including disposing of assets that no longer exist. Although it would be a significant project to ensure the fixed asset register is complete and accurate, once it is set up correctly, the utilisation of the system would save time in accounting for assets. This would also reduce the likelihood of misstatement through error in calculations or posting of journals, improving the accuracy of asset reporting.	Paul Martin	<p>Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022):</p> <ul style="list-style-type: none"> Refer to Item EAF 92. Action completed and EAF closed. 					Completed	Ongoing
Finding 2.2.36	108	108 - Consideration should be given to utilising the fleet maintenance sub system, ensuring all plant is correctly recorded in the system before enforcing a process for employees to record use and maintenance of the fleet. This would enable Council to allocate the use of plant across work orders and to keep track of maintenance incurred on each asset, aiding with planning for renewing the fleet and managing maintenance schedules.	Gordon Malesevic	<p>Q3 update (1 January to 31 March 2023)</p> <p>Highlights/Accomplishments for the Q3 period:</p> <p>Careful consideration has been given to adopting Fleet Maintenance Sub Systems. There are currently very good, accurate, and robust paper storage copies of all fleet maintenance and the transferring over to an electronic platform is being developed . Once the platform is developed, training will be carried out to enable teams to use the system and have ownership.</p>	15/12/2022	Nil	In house resources are implementing now. Final report to Council in December.	Yes	Practically Commenced	Dec 15, 2022
Finding 2.2.37	109	109 - The inefficiencies created by a lack of timely re-ordering of inventory can be addressed by creating a report showing low stock levels and identifying when items need to be ordered.	Paul Martin	<p>Q3 update (1 January to 31 March 2023)</p> <p>Nothing to report as this matter has been transferred to business as usual.</p>	30/06/2023	\$20,000	In house training required to implement ARIC recommendations.	Yes	Practically Commenced	Jun 30, 2023

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.2.38	110	110 - Council should determine an appropriate method for allocating overheads. Workings behind these allocations should be kept as an audit trail so that knowledge is not lost going forward. The resultant rates can be updated in the system so that expenditure can be systematically allocated across cost centres.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> In preparing 2021-2022 Budget decision was taken to only allocate overhead to SDA services. View taken that relatively small size of Council means that there is limited value-add by allocating overhead costs. Enable Managers to focus on controllable costs Capacity to revisit in future years Action completed and EAF closed. 					Completed	Ongoing
Finding 2.2.39	111	111 - All trust accounts should be reconciled on a monthly basis, showing all movements and be reviewed by an officer independent of the preparer, irrespective of whether the trust monies are kept in a separate bank account or within the Council's bank account. This will not only help Council keep track of the amounts held in the trust, but will ensure a monthly review of movements is being completed, reducing the risk of misstatement and erroneous payments from trust monies.	Paul Martin	Q3 update (1 January to 31 March 2023) Nothing to report as this matter has been transferred to business as usual.			Peak Services Team	Yes	Completed	Jun 30, 2024
Finding 2.2.40	112	112 - The Civica Authority system can only be used to its potential if staff fully understand how the system works and how their designated tasks are meant to be performed within the system. Consideration should be given to investing in training in the use of the system and related processes and procedures to assist staff in performing their roles in the most effective and efficient manner. The training should be ongoing and accompanied by ongoing support.	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> Completed and transferred to BAU. Additional training for new staff always encouraged. Refer EAF 67, 68, 71, 72, 96, and 106. 		\$20,000 per year	CIVICA	Yes	Completed	Ongoing
Finding 2.3.17	113	113 - Council should fully reconcile and determine the financial position of the scheme before the administration of it is handed over to a third party provider (Workers Compensation Scheme).	Paul Martin	Progress as at 31 Mar 2022 (1 Jan to 31 Mar 2022): <ul style="list-style-type: none"> Administration of Workers Compensation scheme handed over to third party provider January 2021. Bank account has been closed and financial reconciliation will be included in calculation of final 2020-21 SDA Q4 invoice due 31 July 2021. All Action is finalised and EAF complete 					Completed	Ongoing
Finding 2.3.18	114	114 - Lack of Lack of action on the revenue side in response to well understood challenges	Paul Martin	Q3 update (1 January to 31 March 2023) Nothing to report as this matter has been transferred to business as usual.	30/06/2023			Yes	Completed	Jun 30, 2023
Finding 2.3.19	115	115 - Failure to introduce special rates, levies, charges and efficiency measures to fund deficits in Council's business operations	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none"> Completed. Refer Commissioner conclusions p. 170 Transferred to BAU. 				Yes	Completed	Ongoing

Plan Label And Number	EAF Number	Description	Owner	Last Update	Target Completion Date	Financing Costs	Resourcing	Transferred to Business as Usual	Status	End Date
Finding 2.3.20	116	116 - Failure to set a rates target	Paul Martin	Q3 update (1 January to 31 March 2023) Rates for the 2023-24 financial year will be set as part of the budget development process.	30/11/2022		Discuss with Department.		Practically Commenced	Nov 30, 2022
Finding 2.3.21	117	117 - Lack of meaningful action to reverse the trend of declining own sources revenue	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none">Completed.Refer Commissioner conclusions p. 170					Completed	Ongoing
Finding 2.3.22	118	118 - Unrealistic assumptions were used to support both the Long Term Financial Plan (LTFP) and the Asset Management Plans	Paul Martin	Q3 update (1 January to 31 March 2023) 1. Work has continued on the development of robust Asset Management Plans that will inform the preparation of Council's Long Term Financial Plan (LTFP). 2. Council is on track to meet the 30 June 2023 target completion date.	30/06/2023	\$250,000	Peak Services Team & Contractor Link to item 3.2.9 EAF 40		Practically Commenced	Jun 30, 2023
Finding 2.3.23	119	119 - Asset management plans did not have sufficient detail to support meaningful entry into the Long Term Financial Plan	Paul Martin	Q3 update (1 January to 31 March 2023) 1. With Commonwealth funding, Council has continued the development of robust Asset Management Plans that will inform (in part) the development of an accurate Long Term Financial Plan (LTFP). The plans will be fit for purpose, and have sufficient detail to support meaningful entry into the LTFP. We 2. Council is on track to meet the 30 June 2023 target completion date.	30/06/2023	\$250,000	Peak Services Team & Contractor Link to item 3.2.9 EAF 40		Practically Commenced	Jun 30, 2023
Finding 2.3.24	120	120 - Failure to engage with the Audit Committee in applying its risk management policy	Paul Martin	Progress as at 30 Sept 2022 (1 July to 30 Sept 2022): <ul style="list-style-type: none">Completed. Transferred to BAUA new Audit, Risk and Improvement Committee (ARIC) has commenced in 2021, who have been more interactive and skilled in Local Government. Continued engagement will occur over the next few years to restore confidence in our system.		\$30,000 per year	ARIC and Peak Services Team	Yes	Completed	Ongoing