

EXTERNAL AUDIT FINDINGS SUMMARY TABLE

No	Finding	Alignment with CSP (SD) (2016-2026) & 9 Point Action Plan (AP)	Key Focus Area	Priority Low (L) Medium (M) High (H)	Council Assessment Short (1-12 months) Medium (1-2 years) Long (2 years +)	Estimated Costs Internal or \$ = unfunded	Resp Officer	GM Comments
	<p>As per External Audit Report</p> <p>* Blue = Grassroots Connections Australia Report (Rec 1-84)</p> <p>* Green = Nexia Australia Report (Rec 85-113)</p>							
1	<p>That NIRC consider re-making its Advisory Committee Structure through the establishment of four Council Committees:</p> <ul style="list-style-type: none"> <li>• Services</li> <li>• Planning &amp; Environment</li> <li>• Finance &amp; Corporate Services</li> <li>• Economic Development.</li> </ul>	SD5 AP9	Governance Committees	H	Short	\$5,000	AIW	Relatively easy to do, small changes to our software (InfoCouncil), and this structure will provide monthly meetings, with Council meetings much shorter. Refer to Finding 2
2	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.	SD5 AP9	Governance Committees	H	Short	Above	AIW	Included in Finding 1 process.
3	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.	SD5 AP9	IPRF	H	Medium	Internal	AIW	Attention given at weekly Managers meetings for this to be cascaded through organisation. This will take time to implement. Key considerations: involves significant time and effort in review, development and implementation of policies, processes and systems that provide improved integration, strategically and operationally, and across all levels and areas of the organisation, through to staff performance plans; will require leadership, and may involve cultural and behavioural change. Refer to Findings 3, 4, 82, 83, and 84.
4	That the content of the Annual Report seek improved focused on reporting performance/ implementation against the CSP outcomes and strategies.	SD5 AP9	IPRF	M	Long	Internal	AIW	Agreed. Key considerations: comprehensive review to be undertaken of existing strategic plan and various other strategic planning documents; need to establish measurable and specific performance targets demonstrating clear linkages with CSP, and Delivery Program and Operational Plan (noting requirements of IPRF). Need to ensure the necessary systems and tools available to provide analytics and enable capturing of information for required internal and external reporting. Staff will need to be trained to utilise reporting systems. Refer to Findings 3, 4, 82, 83, and 84.
5	That NIRC consider formalising its Governance Framework in an adopted policy to clarify the roles and responsibilities encompassed in the Framework.	SD5 AP9	Governance Framework	H	Long	Internal	AIW	Agreed. Key considerations: formalising any governance framework will be dependant on finalising the organisational structure and functions, and be informed by the financial and service delivery model of Council.

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6	That the resourcing of the Audit/Risk Management function be reviewed after twelve months to assess its adequacy	SD5 AP9	Governance Audit	M	Medium	\$10,000	AIW	Agreed. Key considerations: performance review will be undertaken annually as part of the contract management of the engagement of the Contractor (Pacifica), and assessment of value for money will be an important consideration as one element of the performance review (3 year contract with Pacifica commenced 1 July 2020).
7	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.	SD5 AP9	Governance Policies	L	Long	Internal	AIW	Agreed. Key considerations: schedule to be informed by obtaining a baseline, undertaking a gap analysis, and building a foundation from which to establish the planned schedule. Significant work involved in developing this schedule and timeframe / capacity to be considered if to be undertaken as part of business as usual activities Also links with Findings regarding policy reviews 7, 8, 9, 79, and 103.
8	That a gap analysis be undertaken of policy areas requiring new policy instruments and a plan established for their development.	SD5 AP9	Governance Policies	L	Long	\$50,000	AIW	External consultant to be used, as staff rarely have enough time to achieve a good outcome in this area. Key considerations: major piece of work due to the diversity and breadth of Council operations; added complexity with need to consider compliance / regulatory / legislative and service requirements of multi-layers/ levels of government (Commonwealth, NSW LG, and Council). May require workshops and process mapping to inform and provide evidence based gap analysis. Also links with Findings regarding policy reviews 7, 9, 79, and 103.
9	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.	SD5 AP9	Governance Policies	M	Long	Internal	AIW	Agreed. Key considerations: due to diversity of Council operations and systems, this work will involve significant time and effort; some staff may have to undertake this work whilst performing business as usual; and depending on the areas may require "Subject Matter Experts" for expert advice and contribution; may involve process mapping and other activities to define processes, prepare flow charts and write components of manuals, templates, forms etc. Staff training in use of the manuals may be required. Qualifications / specialist training may be required dependant on equipment involved/ area of operation.
10	That the fortnightly meeting between NIRC and DITRDC on-Island staff continue to address operational issues.	SD5 AP9	Govt/ Council Relations NIRC/ DITRDC	VH	Short	Internal	BT	Agreed. Meeting schedule in place.

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11	That NIRC and DITRDC consider restructuring the quarterly meeting to discuss strategic issues to include: • NIRC Mayor & GM • The Administrator • Assistant Secretary DITRDC.	SD5 AP9	Govt/ Council Relations NIRC/ DITRDC	VH	Short	Internal	AR	Agreed. Refer to Findings 12.
12	That these quarterly meetings be held face-to-face alternating between Canberra and Norfolk Island.	SD5 AP9	Govt/ Council Relations NIRC/ DITRDC	VH	Medium	\$5,000	AR	Agreed Refer to Findings 11.
13	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	SD5 AP9	Govt/ Council Relations NIRC/ DITRDC	VH	Medium	Internal	AR	Agreed. Key considerations: obtaining clarity as to roles and responsibilities will be dependant on the governance model being clearly defined, and agreed by all parties.
14	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.	SD5 AP9	Govt/ Council Relations NIRC/ Agencies	VH	Medium	Internal	AR	There will be an annual subscription fee here. Key considerations: additional costs may include, resourcing costs (people and \$) attending meetings and managing additional work commitments and expectations that may flow from involvement.
15	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.	SD5 AP9	Govt / Council Relations NIRC / DITRDC Community	VH	Medium	\$200,000	AR	Recruitment, relocation, annual contract amount and other costs involved Key considerations: significant investment required; new role to be established will involve some lead time for recruitment. Role requirements has number of interdependencies with outcomes being sought by various Report Findings - including the strategic planning activities, engagement strategies, and governance model.

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16	<p>As per External Audit Report</p> <p>* Blue = Grassroots Connections Australia Report (Rec 1-84)</p> <p>* Green = Nexia Australia Report (Rec 85-113)</p> <p>That the Norfolk Island 2030 – Sustaining our Future:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• Establishes clear goals and directions for “what we want Norfolk</li> </ul>	SD1- SD6 AP1-9	Strategy Long term Plan	H	Medium	\$250,000	AR	<p>This will require consultancy support to maximise the interoperability of the document with internal functions of Council.</p> <p>Key considerations: undertaking this work will require significant project planning; extensive consultation and community engagement; review of all existing strategic planning documents including assessment of achievements and challenges; and consideration of future funding and governance models to inform and guide strategy</p>
17	<p>That a Liaison Committee be established to provide inputs into:</p> <ul style="list-style-type: none"> <li>• Norfolk Island 2030 - Sustaining our Future</li> <li>• The Norfolk Island Community Strategic Plan</li> <li>• Review of the Planning Act 2002 (NI)</li> <li>• The Norfolk Island Plan Review.</li> </ul>	SD1- SD6 AP1-9	Strategy Long term Plan Legislation	H	Medium	Internal	AR	<p>Agreed.</p> <p>Refer to Finding 16.</p>
18	<p>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>	SD1- SD6 AP1-9	Strategy Long term Plan	H	Medium	Internal	AR	<p>Agreed</p> <p>Refer to Finding 16.</p>

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19	<p>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</p> <p><b>Stage One:</b></p> <p>The Strategic Plan be comprehensively reviewed based on the following:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Sustainability (4 pillars of economic, social, environmental and governance).</li> <li>• A greater level of aspiration for future development and land-uses to achieve the short, medium and long-terms desired outcomes of DITRDC, NIRC and the Island community.</li> </ul> <p>Including appropriate references to:</p> <ul style="list-style-type: none"> <li>• Evaluations of the alternative locations and criteria for the proposed composter, port and rock quarry.</li> <li>• Resolving acceptable standards and means of waste disposal and wastewater disposal and treatment.</li> <li>• 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.</li> <li>• Analysis of the Island’s infrastructure capacities to inform NIRC’s declared need for a Population Policy.</li> </ul> <p>An Implementation Strategy be developed including nominated responsibilities.</p> <p>Introduce a new Development Control Plan for Community Title.</p> <p>Review the Development Control Plans for: Water Resources and Outdoor Advertising Structures and Signs. <b>Stage 2:</b></p> <p>Implementation of the Strategic Plan.</p>	SD1- SD6 AP1-9	Strategy Long term Plan	M	Medium	\$20,000	AR	Some external assistance will be required with this. Refer to Findings 16, 17, and 18.
20	That a qualified planner be recruited as net additional to the current staff establishment and related staff budget, preferably a	SD1, 2, 4, 5, 6	Planning & Envir	H	Medium	\$100,000	PR	Recruitment, relocation, annual contract amount and other costs involved Key considerations: to be considered as part of the overall resourcing strategy for
21	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	SD4 AP9	Planning & Envir HR - staff	L	Long	\$10,000	PR	Agreed
22	That the review of the Planning Act 2002 (NI) be pursued to alleviate the inefficiencies caused to the Development Assessment function	SD1, 4, 5, 6 AP9	Planning & Envir Legislation	M	Long	\$250,000	PR	External contractor to complete this process Refer to Finding 19.
23	That NIRC consider negotiations with Port Macquarie-Hastings Council to extend the Agreement for resource support for	SD1, 2, 4, 5, 6 AP1-9	Planning & Envir External Resourcing	M	Medium	\$50,000	PR	Estimated annual costs to continue assessments, etc.
24	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	SD1, 4, 5, 6 AP9	Planning & Envir Legislation Sewage	H	Medium	\$10,000	PR	External contractor required, no expertise in house

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25	That DITRDC work with NIRC to resolve wastewater disposal and treatment issues by • the endorsement of the option recommended in the Balmoral	SD1, 4, 5, 6 AP1, 9	Planning & Envir Infra	H	Long	\$20,000,000	PR	Implement Balmoral report findings. Refer to detailed report already undertaken.
26	That NIRC undertake a review to establish the funding mechanism, and structure and staff capacity of the NIRC Environment Team • 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	SD1, 2, 4, 5, 6 AP1, 8, 9	Planning & Envir Resources Env team Wastewater	M	Medium	\$40,000	PR	Report will need external assistance, business case development for grant submission Key considerations: NIRC Environment team resourcing and funding to be considered as part of the overall NIRC structure and resourcing; important to define work program / outcomes / deliverables to inform resource allocation; community
27	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	SD1, 4, 5, 6 AP8, 9	Planning & Envir Waste Disposal	VH	Medium	\$1,000,000	PR	This will need annual funding to fix legacy issues and make the operation sustainable for the Island Key considerations: significant strategic policy and funding issue; multiple stakeholders to be engaged, considering Commonwealth and Council interests; links
28	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.	SD1, 2, 4, 5, 6 AP1, 8, 9	Planning & Envir Resources Env team Waste	M	Medium		PR	Potential savings here, need to quantify. Refer to Findings 26.
29	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.	SD1, 4, 5, 6 AP3, 9	Planning & Envir Strategy Ports / Infra Bio-security	H	Medium	\$500,000	PR	Short term solution is a temporary groyne at Cascade, then investigate a longer term solution. Key considerations: key strategic initiative requiring significant investment and detailed planning providing a staged approach to give long term benefits; involves multiple stakeholders, major procurement, strong project management, requires access to high level professional / technical skills and expertise; links to other
30	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.	SD1, 5, 6 AP8, 9	Planning & Envir Strategy Biodiversity	M	Long	\$200,000	PR	Strategy document will require external assistance Key considerations: strategy development for environmental issues to be considered in line with overall strategic planning activities; expert advice required; implementation to be based on agreed strategies and actions, aligned with available / allocated funding and resourcing.
31	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.	SD1, 2, 4, 5, 6 AP8, 9	Planning & Envir Resources Env team Pest Mgmt	M	Long	\$250,000	PR	Per annum costs - already in place Key considerations: the funding, resourcing of the Environment team to be considered in line with its overall work program. Refer to Findings 26 and 28.
32	That the NIRC and the Commonwealth develop a joint strategy to address the issue of PFAS contamination on Norfolk Island.	SD1, 5, 6 AP9	Planning & Envir Strategy PFAS	M	Long	\$250,000	PR	Strategy document will require external assistance Key considerations: strategy development for PFAS contamination to be considered in line with overall strategic planning activities; expertise required; implementation to be based on agreed strategies and actions, aligned with available / allocated funding and resourcing.

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33	<p>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"> <li>Swimming Pool safety fencing – including, given the public safety issues and NIRC risk exposure - retrospective checks on existing pools</li> </ul>	SD1, 4, 5, 6 AP9	Planning & Envir Legislation Resources Ranger Position	M	Long	\$150,000	PR	<p>Employment costs and some external assistance required for legislative change</p> <p>Key considerations: legislative reform will involve specialist skills and resourcing; policy development required to support legislative change; internal process and system development to enable implementation; community and stakeholder consultation to be undertaken; legal advice required; education and compliance program to be rolled out; awareness and information program to gain community support/ acceptance of change.</p>
34	<p>That a training and collaborative working arrangements between the NIRC Building Officer and Customer Care staff be put in place.</p>	SD1, 4, 5 AP9	Service Delivery Planning and Dev Enquiries	M	Medium	Internal	PR	<p>Agreed</p>
35	<p>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"> <li>Develop a concept design for appropriate, purpose-built facilities (air-conditioned and with moisture control) to sustain the life of records, artworks, documents etc.</li> <li>Finalise a records digitisation plan.</li> </ul> <p><del>DITRDC support funding proposals for the construction of purpose</del></p>	SD4, 5 AP9	Corporate Business Systems Records Strategy / Plan / Infra	M	Medium	\$1,000,000	LW	<p>Digitise records.</p> <p>Key considerations: major investment and change project involving all operations and staff of Council; major reform / business improvement project; carries high risk, and requires strong project management with clear deliverables; must be resourced appropriately; managed with strong governance arrangements in place; various elements will need to be managed concurrently to deliver successful project. Has opportunities for significant efficiencies. Will need to consider interdependencies with other existing Council IT systems and any new projects/systems being delivered</p>
36	<p>That DITRDC and NIRC undertake a review of the Statutory Appointments system to</p> <ul style="list-style-type: none"> <li>Establish improved working and management reporting arrangements</li> <li>Include consideration of more delegation of authority by the Minister to the General Manager for non-judicial appointments.</li> <li>Clarify that statutory appointed staff report directly to the</li> </ul>	SD5 AP9	Governance Legislation Delegations	M	Medium	\$40,000	AR	<p>Contractor/consultant to be engaged to define and build a scope of work (eg move to publish gazettes online)</p> <p>Key considerations: a review be undertaken of all existing delegations to examine and recommend the most appropriate levels of authority and accountability which will deliver efficiencies and enhanced clarity.</p>
37	<p>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.</p>	SD1-6 AP1-9	Service Delivery SDA	H	Medium	\$5,500,000	BT	<p>Annual costs, a review will be required to ensure benefits maximised. Improved IT systems will assist in this area.</p> <p>Key considerations: major project, significant work required to review the SDA, assess / evaluate its performance, identify future opportunities and risks, define community needs; determine future funding model aligned with community needs/ expectations; define principles such as fairness of requirements, and clarity as to what are considered "adequate services"; extensive consultation required.</p>
38	<p>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</p>	SD1- SD6 AP1-9	Strategy Long term Plan	H	Long	\$500,000	AR	<p>External contractor required, no expertise in house</p> <p>Key consideration: this work has interdependencies with a number of the strategic planning activities/ Findings funding plan to be considered in line with the strategic planning activities and outcomes. Refer to Findings 16, 17, 18, and 37.</p>
39	<p>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</p>	SD1- SD6 AP1-9	Strategy Long term Plan	H	Long	Internal	AR	<p>Some external assistance will be required with this</p> <p>Key considerations: financial sustainability will be an important consideration when developing Council's long term financial plans and also be informed by Council's future strategic planning decisions; appropriateness of service delivery responsibilities and infrastructure decisions will be influenced by long term strategic, resource and financial planning.</p>

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40	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.	SD4, 5 AP9	Finance Asset Mgmt / Proj Mgmt T&D / OD	M	Medium	\$100,000	AIW	Software has been acquired and contractor has commenced work in populating. More assistance is required. Key considerations: significant work and investment required; development of project management frameworks and implementation, information systems, and building of capability involves dedicated resourcing and staff training. To be considered as part of NIRC medium / long term funding and resourcing decisions.
41	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.	SD1- SD6 AP1-9	Strategy Long term Plan	VH	Short	\$100,000	AIW	Software has been acquired and contractor has commenced work in populating. More assistance is required. Key considerations: significant work involved; development of long-term financial plan to be considered in line with the overall strategic planning and operational activities for the Island's future. Refer to Findings 16, 19, 22, 24, 25, 26, 27, and 28.
42	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	SD5 AP9	Finance FAG	H	Medium	Internal	AIW	Once software systems have been implemented, internal controls will provide better outcomes, training is required, and some external assistance will be needed.
43	That NIRC continue to levy rates on rateable assessments using a combination of a base charge and a rate in the dollar.	SD5 AP9	Finance Rates System	H	Medium	\$50,000	AIW	Categorisation advice will be required, and some analysis around rating systems to develop a more equitable system

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44	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-	SD5 AP9	Finance Valuations	M	Medium	\$150,000	AIW	Valuers can be engaged that work for State Valuers to provide this sort of work. The VG will be twice as expensive and will not do the work. This will require a tender process, which may need an external resource to prepare.
45	That NIRC consider phasing in increases in the sewerage charge to more appropriate levels to ensure increased scheme cost recovery.	SD1, 5 AP9	Finance Sewerage Charges	M	Medium	Internal	AIW	This will improve revenue, aim will need to be to repay a loan of \$6-7M for the scheme upgrade, based on grant for remaining amount
46	That NIRC continue to apply a waste (import) levy to help fund waste management activities.	SD1, 5 AP8, 9	Finance Waste (import) Levy	H	Long	Internal	AIW	I believe this requires more thinking, as the levy is difficult to change, and doesn't actually target user pay. We charge for things that will never create waste
47	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.	SD1, 5 AP8, 9	Finance Waste Disposal Fees	M	Medium	Internal	AIW	A discussion paper has been drafted internally to workshop with the Council. This has been placed on hold until we address the audit findings.
48	That NIRC continue to apply a fuel levy to help fund road maintenance, and potentially increase the levy to raise additional revenue for roads.	SD1, 5 AP9	Finance Fuel levy	M	Long	Internal	AIW	Levy is difficult to change, hasn't been increased for a few years. Money should be isolated internally for roads specifically, which doesn't happen now
49	That NIRC ensures that it sets its user fees and charges on a cost reflective basis inclusive of overheads.	SD5 AP9	Finance User fees / Overheads	H	Long	\$50,000	AIW	This will require external assistance, not enough internal resource to complete this task
50	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.	SD4, 5 AP9	Finance Council Bus Operations	H	Long	Significant reduction in revenue	AIW	NIRC currently cross subsidises its main operations from the Bond, Electricity and Telecom. Similarly, the existing revenue base cannot support Asset improvements that are overdue. The current charges are excessive compared with other jurisdictions.
51	That NIRC retain responsibility for the liquor bond given its important net financial contribution to NIRC relative to other revenue sources.	SD4, 5 AP9	Commercial Bond store	H	Long	Internal	HM	Agreed Refer to Finding 60
52	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.	SD5 AP9	Finance FAG	H	Long	Internal	AIW	Agreed. Commonwealth action.
53	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.	SD1- SD6 AP1-9	Strategy Long term Plan	H	Long	\$80,000	AR	Pace Setters have been engaged for a number of improvements to date. They are 1/3rd the price of Civica, and are all ex-Civica staff. Significant training is required across council staff for this process to be successful. Key considerations: high risk area; critical business system; investment in financial

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54	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.	SD1-6 AP1-9	Service Delivery SDA	H	Long	Internal	BT	A better governance model is possible in State service delivery, one that removes the lack of coordination, with better outcomes for the investment made. Key considerations: strategic decision interrelated with other Findings in particular review of SDA and future service delivery and funding arrangements. This should be discussed in conjunction with Findings 10 and 11. Refer also to Findings 37, 39, and 50.
55	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	SD4, 5 AP9	Cwlth Action GST	L	Long	External	AR	Decision for the Commonwealth Government.
56	That NIRC consider the establishment of a formal development contributions plan and associated charges to assist in funding facilitating infrastructure.	SD1, 4, 5 AP1-9	Finance Infra Charges	L	Long	\$50,000	AR	External consultant would be required to develop this program, as no resource available in house with any experience.
57	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	SD4, 5 AP9	Commercial Airport Ownership	H	Medium	Internal	AR	Depending on the decision, revenue streams may be affected. Depreciation cost of the airport must also be part of the consideration now for replacement in 10-15 years.
58	That NIRC and the Commonwealth consider alternative arrangements for the electricity, telecom and sewerage utilities, which may involve one or more of the following: • 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	SD1, 4, 5 AP1-9	Commercial Business Models for Council Services	H	Long	\$250,000	AR	External consultants required to assess this process, with significant impacts on Council revenue streams. Key considerations: important strategic policy and commercial decision, with need for rigorous assessment and evaluation of different commercial/business models, including detailed cost benefit analysis, impact assessment, quantifying community and Council benefit, risk assessment, development of a business case, with costed implementation / transition plan for the set up of any new entities, company
59	That the introduction of any alternative arrangements maximises the employment of local workers where possible rather than utilising external outsourcing.	SD4, 5 AP9	Commercial / HR / Employmt	H	Long	Internal	AIW	Staff may be better off under commonwealth arrangements, as long as the roles are maintained. Refer to Finding 58
60	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.	SD4, 5 AP9	Commercial Bond store	H	Long	Internal	HM	Agreed Refer to Finding 51.
61	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.	SD1, 4, 5, 6 AP8, 9	Planning & Envir Waste Disposal	H	Long	Addressed above	PR	There needs to be funding for a period of at least 5 years to deal with legacy issues and put in place a number of initiatives that take NIRC towards a sustainable management plan where the majority of waste is dealt with on Island. Refer to Finding 27
62	That the easements required to operate the utilities servicing the Island be formalised, with appropriate valuation adjustments and compensation payments arranged.	SD1, 4, 5 AP9	Planning & Envir Legislation /	M	Long	\$850,000	PR	Funding required, similar to Voluntary Acquisition Schemes put in place by the Commonwealth to acquire flood affected properties.

EXTERNAL AUDIT FINDINGS SUMMARY TABLE

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	As per External Audit Report * Blue = Grassroots Connections Australia Report (Rec 1-84) * Green = Nexia Australia Report (Rec 85-113)							
63	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	SD4, 5 AP9	Strategy ARFFS	M	Medium	Savings achieved	HM	Agreed
64	That the Commonwealth and NIRC consider the available options to mitigate against the 'State Disconnect' that presently exists, including: • 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	SD1- SD6 AP1-9	Strategy Long term Plan State Partner	H	Long	\$10,270,000	AR	Refer to the Nexia Australia Audit of Financial Performance Report dated 30 October 2020, in particular the asset gap - page 27.
65	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.	SD4 AP5, 9	Commercial Econ Dev	M	Long	\$250,000	HM	NIRC had approached Delta Pearl Partners to complete a gap analysis, develop a plan, and provide potential targets for investment. Estimate provided is a year old.
66	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.	SD4 AP5, 9	Commercial Econ Viability	M	Long	See Rec 65	HM	Refer to Finding 65.
67	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.	SD5 AP9	Corporate Business Systems Finance Civica	H	Medium	\$300,000	AIW	Pace Setters have been engaged for a number of improvements to date. They are 1/3rd the price of Civica, and are all ex-Civica staff. Significant training is required across council staff for this process to be successful. Key considerations: high risk area; critical business system; investment in financial systems and staff training will provide confidence with robust and informed financial decision making: assist to minimise risk of adverse audit findings. Links to the Nexia
68	NIRC improve integration between the Civica Finance module and other corporate systems to leverage the revised chart of accounts.	SD5 AP9	Corporate Business Systems Finance Civica	M	Medium	\$100,000	AIW	Some costs will be involved in writing integration software Refer to Finding 67.

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	As per External Audit Report * Blue = Grassroots Connections Australia Report (Rec 1-84) * Green = Nexia Australia Report (Rec 85-113)							
69	NIRC negotiate an improved support plan with Civica to improve responsiveness.	SD5 AP9	Corporate Business Systems Finance Civica	M	Medium	\$150,000	AIW	Currently paying this amount. Council has a better service now than a year ago. Continue to develop. Refer to the Nexia Australia Audit of Financial Performance Report dated 30 October 2020, Audit Report findings.
71	NIRC provide staff with training in the use of Civica as the core enterprise platform.	SD4, 5 AP9	Corporate Business Systems Finance Civica	M	Medium	\$100,000	AIW	Training budgets were slashed this year to meet fiscal challenges. These need to be reinstated so Pace Setters can be engaged.
72	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.	SD5 AP9	Corporate Business Systems Finance Civica	H	Short	\$50,000	AIW	Software acquired and will be live by the end of June 2021.
73	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: - Building Applications - Development Applications.	SD5 AP9	Corporate Business Systems Planning & Env / Civica	M	Long	\$50,000	PR	Utilise the existing systems within Civica, with significant set up costs and training to maximise benefits.
74	NIRC develop templates to support business requirements and update reference tables to pre-populate data.	SD5 AP9	Policies HR	M	Long	See Rec 67	PR	Refer to Findings 67 and 74.
75	NIRC implement the blueprint across 3 horizons of activity.	SD5 AP9	Corporate Business Systems Finance Civica	H	Medium	See Rec 67 to 75	AIW	Blueprint refers to 3 horizons of activity: capabilities, processes, and systems. Aimed at maximising investment in Civica HR completed people strategy. Refer to Finding 67.
76	That NIRC update its Workforce Plan to include analysis of current and future resourcing needs.	SD4, 5 AP9	HR W/force Plan	H	Short	\$20,000	LT	Workforce planning report by independent consultant Refer to Finding 77.

## EXTERNAL AUDIT FINDINGS SUMMARY TABLE

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	As per External Audit Report * Blue = Grassroots Connections Australia Report (Rec 1-84) * Green = Nexia Australia Report (Rec 85-113)							
77	That the updated Workforce Plan be the vehicle for integrating the "companion" plans of TAAPILI and the People and Culture Business Plan.	SD4, 5 AP9	HR W/force Plan	H	Short	Internal	LT	Flows from workforce plan Refer to Finding 76.
78	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.	SD4, 5 AP9	HR Training Needs Anal; Skills Inventory	H	Medium	\$90,000	LT	Software acquired and will be live by the end of April. Further training required
79	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.	SD4, 5 AP9	HR Policies	H	Medium	\$15,000	LT	Insufficient policies. New policies needed. Governance Officer will create with review by HR team Key considerations: work will be part of broader policy review as identified in Findings 7, 8, and 9.
80	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	SD4, 5 AP9	HR OD	H	Medium	\$150,000	LT	Software acquired and will be live by the end of April. Further training required. Additional resource needed to complete this work. Refer to Finding 78.
81	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.	SD4, 5 AP9	HR OD / Perf App	H	Medium	\$30,000	LT	Software acquired and will be live by the end of April 2021. Refer to Finding 78. Further work needed to link performance measures.
82	That in future iterations of the Operational Plan and Delivery Plan performance indicators and targets should be reviewed or refined.	SD5 AP9	IPRF	H	Medium	Internal	AIW	New Governance Officer commenced in January 2021. Refer to Findings 3, 4, 82, 83, and 84.
83	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.	SD5 AP9	IPRF	M	Long	\$20,000	AIW	Dependent on decision made with Findings 58 and 59. Training of business teams leaders required. Refer to Findings 3, 4, 82, 83, and 84.

EXTERNAL AUDIT FINDINGS SUMMARY TABLE

No	Finding  As per External Audit Report * Blue = Grassroots Connections Australia Report (Rec 1-84) * Green = Nexia Australia Report (Rec 85-113)	Alignment with CSP (SD) (2016-2026) & 9 Point Action Plan (AP)	Key Focus Area	Priority Low (L) Medium (M) High (H)	Council Assessment Short (1-12 months) Medium (1-2 years) Long (2 years +)	Estimated Costs  Internal or \$ = unfunded	Resp Officer	GM Comments
84	That Departments produce monthly 'Dashboard' reports of performance against project targets and service levels to help condense status reports.	SD5 AP9	IPRF	M	Short	\$70,000	AIW	Open Gov software will produce dash boarding. Reports are currently being constructed and be live by end of June 2021. Refer to Findings 3, 4, 82, 83, and 84.
85	To achieve industry benchmarks and improve financial performance, Council should budget to achieve a net operating surplus before capital revenue.	SD5 AP9	Finance Budget	VH	Long	Internal	AIW	Agreed
86	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.	SD5 AP9	Finance Cost Saving Analysis	VH	Long	Savings achieved	AIW	EXTREME RISK A draft discussion paper has been developed for Councillors presenting \$7.5M in cost reductions across Council. This has a significant impact on services, with several closures, and reduced operating hours. This will not improve life on Island, and may further impact the tourism trade. Revenue streams are at the high end, and cost of living is already high on island. New service provisions are needed to reduce costs on island, around electricity, telecom and waste management.
87	Council should carefully monitor the accumulation of outstanding	SD5	Finance	VH	Medium	Internal	AIW	Agreed
88	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: <ul style="list-style-type: none"> <li>• Budgeting for and achieving cash surpluses</li> <li>• Ensuring expenditure budgets are closely monitored and managed</li> <li>• Carefully monitoring the accumulation of outstanding debts and ensuring appropriate recovery action is taken</li> <li>• 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.</li> <li>• The receipt of an injection of additional government funding.</li> </ul>	SD5 AP9	Finance Restore Cash Position	VH	Medium	Internal	AIW	Agreed, see response against Finding 86.

## EXTERNAL AUDIT FINDINGS SUMMARY TABLE

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	As per External Audit Report * Blue = Grassroots Connections Australia Report (Rec 1-84) * Green = Nexia Australia Report (Rec 85-113)							
89	Given that overruns on major projects have greatly contributed to the depletion of Council's reserves, it is important that: • 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.	SD5 AP9	Finance Project / Budget Mgmt	VH	Long	Internal	AIW	Project Management plans in place, and better budget systems will ensure decisions are made on sounder footing. There remains a risk for Council to underwrite capital projects that are beyond the revenue capabilities. Key considerations: investment and time required to build robust and sound financial management knowledge, skills, practices and systems, and sound project management frameworks, policies, systems and skills. Training and development program required in both disciplines. Refer to Finding 40.
90	Council needs to restore its working capital position to ensure it has	SD5	Finance	VH	Medium	Budget	AIW	We need to aim for significant surplus budgets for a minimum of 5 years to achieve
91	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.	SD5 AP9	Finance Asset Mgmt Plans	VH	Short	\$25,000	AIW	Refer to Finding 40, software purchased and implemented. Refer to Finding 92.
92	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.	SD5 AP9	Corporate Business Systems Asset Mgmt System	VH	Short	\$50,000	AIW	Refer to Finding 40, software purchased and implemented. Refer to Finding 91.
93	A detailed assessment of Council's infrastructure assets should be undertaken to establish an accurate cost to address Council's infrastructure backlog.	SD5 AP9	Finance Asset Mgmt	VH	Medium	See Rec 92	AIW	Refer to the Nexia Australia Audit of Financial Operation Report dated 30 October 2020, in particular the asset gap - page 27.
94	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.	SD5 AP9	Finance Asset Mgmt	VH	Medium	See Rec 92	AIW	Agreed

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95	<p>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.</p>	SD5 AP9	Corporate Business Systems Financial Reporting Civica	VH	Short	See Rec 92	AIW	Agreed - Open Gov software will be live by the end of June 2021.
96	<p>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.</p>	SD5 AP9	Finance Review Chart of Accounts	VH	Medium	\$45,000	AIW	External assistance required with this project
97	<p>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</p>	SD5 AP9	Corporate Business Systems T&D / Work Orders	VH	Medium	\$100,000	AIW	<p>Training budgets were slashed this year to meet fiscal challenges. These need to be reinstated so Pace Setters can be engaged</p> <p>Key considerations: major piece of work involving defining workflows, process design, training and education of staff, monitoring and compliance programs, systems audits. Will involve cultural and behavioural change.</p>
98	<p>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.</p>	SD5 AP9	Finance Budget Manual / T&D	VH	Medium	Internal	AIW	Agreed Refer to Finding 99.
99	<p>Budget managers across the Council should be involved in the budgeting process in order to provide input and confirm the veracity of assumptions applied.</p>	SD5 AP9	Finance Budget	VH	Medium	Internal	AIW	Agreed Refer to Finding 98.
100	<p>Budget managers should be provided with progressive management reporting and training to assist them in monitoring and managing their budget responsibilities.</p>	SD5 AP9	Corporate Business Systems Budget Reporting	VH	Medium	Internal	AIW	Agreed

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101	Consideration should be given to implementing a system or web-based solutions to better manage the budgeting and monitoring processes.	SD5 AP9	Corporate Business Systems Web based Solutions for Budget Mgmt	VH	Short	See Rec 95	AIW	Agreed - Open Gov will be live by end of June 2021.
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	SD5 AP9	Corporate Business Systems Civica Opport for Efficiencies	VH	Medium	Internal	AIW	Some external assistance will be required with this work.
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.	SD5 AP9	Finance Procurement T&D	VH	Short	Internal	AIW	Training is required across Council, with an adopted procedure to be applied. Key considerations: involve systems and process reviews to develop procedure; cultural and behavioural change.
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: <ul style="list-style-type: none"> <li>• Completion of timesheets with appropriate authorisation levels;</li> <li>• Linking of timesheets to pay runs;</li> <li>• Automated timesheets for those administrative employees that are not required to allocate their time to jobs;</li> <li>• Calculation of overtime hours, allowances and other payroll related values;</li> <li>• Calculation of all leave accruals;</li> <li>• Reduction in leave balances for leave taken, linked to timesheets;</li> </ul> and <ul style="list-style-type: none"> <li>• Reporting of current leave balances on payslips so employees can accurately project their leave entitlements for future planning.</li> </ul> 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	SD5 AP9	Corporate Business Systems HR / Finance Payroll	VH	Short	\$45,000	LT	A software solution has been implemented called Element Time. Online timesheets, leave approvals, etc have been implemented in November 2020. Funding needed to cover this work, that should have been in place 4 years ago.

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105	<p>As per External Audit Report</p> <p>* Blue = Grassroots Connections Australia Report (Rec 1-84)</p> <p>* Green = Nexia Australia Report (Rec 85-113)</p> <p>Whist 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"> <li>• Independent review of end of day reconciliations;</li> <li>• Independent employee responsible for banking cash using banking slips which can be matched to deposit slips obtained from the bank;</li> <li>• Detailed bank reconciliations performed by an employee independent of the receipting system; and</li> <li>• Monthly reconciliations of external unintegrated systems to the general ledger.</li> </ul>	SD5 AP9	Finance Systems Review Receipting	VH	Medium	\$10,000	AIW	This should be referred to the Internal Audit committee and included in the audit plan for the current year. External resource would be required to develop assessment and report improvements.
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.	SD4, 5 AP9	Finance Bank Reconciliation T&D	VH	Short	Internal	AIW	New accounting staff have commenced and internal procedures are being developed. Training will then be conducted for existing staff. Internal Audit to review procedures in 12 months.
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.	SD5 AP9	Corporate Business Systems Asset Accting Civica	VH	Short	See above Rec 62	AIW	Asset Finda has been installed and populated. Training is occurring and the budget process for 2021/22 will have better data to create the depreciation, maintenance and capital works schedules.
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	SD5 AP9	Corporate Business Systems Fleet Mgmt Sys	VH	Medium	\$15,000	BT	Training will be required and system will need configuration. Pace Setters will need to be engaged.

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	As per External Audit Report * Blue = Grassroots Connections Australia Report (Rec 1-84) * Green = Nexia Australia Report (Rec 85-113)							
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.	SD5 AP9	Corporate Business Systems Inventory Mgmt	VH	Medium	\$15,000	AIW	Training will be required and system will need configuration. Pace Setters will need to be engaged.
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	SD5 AP9	Finance Review Overhead Allocations	VH	Medium	Internal	AIW	Agreed
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	SD5 AP9	Finance Trust Acct Mgmt	VH	Medium	Internal	AIW	Agreed
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	SD4, 5 AP9	Corporate Business Systems T&D in Civica	VH	Medium	See above rec 67	AIW	Training budgets were slashed this year to meet fiscal challenges. These need to be reinstated so Pace Setters can be engaged
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).	SD5 AP9	Finance Workers Comp Scheme	VH	Short	Internal	AIW	Agreed

## Department Meeting - Friday 4 December

### Major Projects to make Island Sustainable

	Short	Medium
1. Cascade Port Development	\$ 500,000	\$ 24,000,000
2. Undersea Cable	\$ 150,000	\$ 55,000,000

### Summary of Recommendations

Target	No	Est Cost
Short 1-12 months		\$ 365,000
Medium 1-2 years		\$ 10,155,000
Long 2 years +		\$ 33,530,000
		\$ 44,050,000