



# **MINUTES**

## **Strategic Finance Improvement Committee Meeting**

**29 January 2026**

**MINUTES OF NORFOLK ISLAND REGIONAL COUNCIL  
STRATEGIC FINANCE IMPROVEMENT COMMITTEE  
HELD AT NORFOLK ISLAND REGIONAL COUNCIL COMMITTEE ROOM  
ON THURSDAY, 29 JANUARY 2026 AT 2:00 PM**

**1 ATTENDANCE**

**PRESENT:** Scott Mason (Lead Administrator), Gary Mottau (Financial Administrator), Scott Hackney (Acting General Manager), Alistair Innes - Walker (Committee Member)

**IN ATTENDANCE:** Nicholas Mostardo (Senior Consultant, Shave and Brett), Tamara Lukic (Governance Coordinator)

**VISITORS:**

**2 WELCOME**

The Chair welcomed the Strategic Finance Improvement Committee to the meeting and opened the meeting at 02:03 PM

**3 STATEMENT OF RESPECT**

**Statement of Respect:**

The Norfolk Island Regional Council promotes a climate of respect for all. We will endeavour to inspire in our community shared civic pride by valuing and protecting our unique culture and environment, both natural and built, for the current and future generations. We undertake to act with honesty and integrity, to conduct ourselves in a way that engenders trust and confidence in the decisions we make, and the actions we take on behalf of the Norfolk Island community. We acknowledge the Norfolk Island people, traditional custodians of this Island.

**4 APOLOGIES**

**5 DISCLOSURE OF INTERESTS**

**5.1 Disclosure of Interests - Voting Community Member**

**SUMMARY**

The purpose of this report is to note the filing of the *Disclosure of Interests* form by community voting member of the Strategic Finance Improvement Committee, Alistair Innes-Walker.

**BACKGROUND**

Under the Model Code of Conduct for Local Councils in NSW, certain council officials must declare their personal interests in publicly accessible interest returns. This includes members of Committees who Council identifies as exercising functions that could give rise to a conflict of interest.

The Committee received and noted the Disclosure of Interests form from Alistair Innes-Walker which will be processed by Council in accordance with the Model Code of Conduct for Local Councils in NSW.

- 6 CONFIRMATION OF MINUTES
- 7 BUSINESS ARISING FROM MINUTES
- 8 FINANCIAL REPORTS
- 9 REPORTS FROM OFFICERS

### 9.1 Appointment of Committee Members

#### SUMMARY

The purpose of this report is confirm the membership of the Strategic Finance Improvement Committee in line with an EOI process undertaken in December 2025.

#### BACKGROUND

On 19 December 2025, Council published an EOI and Terms of Reference for five (5) community members to join the Strategic Finance Improvement Committee (SFIC). Council received submissions from two (2) individuals prior to the deadline for submissions on 31 December 2025. One (1) additional submission was received after the deadline but was later withdrawn by the candidate. The committee also acknowledged the withdrawal of the second individual.

#### COMMITTEE RECOMMENDATION SFIC 2026/1

Moved: Scott Mason  
Seconded: Gary Mottau

That the Committee notes the appointment of Alistair Innes-Walker as community member appointee to the Strategic Finance Improvement Committee.

**CARRIED**

### 9.2 Committee Member Inductions

#### SUMMARY

The purpose of this report is to advise new Committee members that management will be contacting them soon to organise a formal induction to the Strategic Finance Improvement Committee.

#### BACKGROUND

Pursuant to the Strategic Finance Improvement Committee Terms of Reference (TOR), new Committee members are to receive an induction covering Council's financial framework, relevant policies and procedures and their responsibilities under the Committee (TOR).

#### COMMITTEE RECOMMENDATION SFIC 2026/2

Moved: Gary Mottau  
Seconded: Scott Mason

That the Committee receives and notes this report pertaining to induction of new committee members.

CARRIED

### 9.3 Strategic Finance Improvement Plan and Committee Work Plan

#### SUMMARY

The purpose of this report is to provide an overview of the Strategic Finance Improvement Plan and the Committee's work plan in line with the Terms of Reference.

#### BACKGROUND

The Strategic Finance Improvement Committee's (SFIC) Terms of Reference establishes that one of the primary functions of the Committee is to prepare a Strategic Finance Improvement Plan (Plan) "with an emphasis on the urgency to address the financial issues facing Council" (SFIC TOR, pg 3). This Plan will help develop and inform the Committee's work plan (SFIC TOR, pg 7).

#### COMMITTEE RECOMMENDATION SFIC 2026/3

Moved: Scott Mason

Seconded: Gary Mottau

That the Committee:

1. Discusses the Strategic Finance Improvement Plan and the Committee's FY 2025/26 work plan in line with the Committee's Terms of Reference.
2. Provides appropriate direction to Council and management to consider in implementing any Committee recommendations pursuant to part one of this resolution.
3. Develops a 'Sustainability Reporting Framework' for business areas and Council, suitable for the community and Minister.

CARRIED

### 9.4 FY 2026/27 IP&R Update

#### SUMMARY

The purpose of this report is to provide an overview of the NSW Integrated Planning and Reporting framework and its proposed application to Council's 2026/27 financial year.

#### BACKGROUND

The enabling legislation governing Norfolk Island Regional Council, the *Local Government Act 1993 (NSW)(NI)*, requires compliance with the NSW Integrated Planning and Reporting (IP&R) Framework. This framework guides Council's planning and reporting activities over various periods of time. The major components of the IP&R Framework include:

1. **Community Strategic Plan (CSP)** - The peak guiding document underpinning a Council's strategic vision for a period of ten or more years.
2. **Delivery Program (DP)** - Generally, what a Council intends to deliver to the community during its term.
3. **Operational Plan** - The annual delivery activities linked to the CSP and DP and how these activities will be funded (the Annual Budget).
4. **Annual Report** - Report to the community at the end of each financial year on the

achievements related to the CSP, DP and Operational Plan.

5. **Resourcing Strategy** (Long-Term Financial Plan, Workforce Management Plan, Asset Management Strategy and Plans) - Demonstrates how Council intends to resource its priorities as part of the CSP and DP.

6. **Community Engagement Strategy (CES)** - Identifies how the Council will engage with stakeholders when developing its plans.

The intention of the IP&R Framework is to assist Councils in creating links between their various strategic and operational plans in order to achieve overarching community goals and objectives.

#### **COMMITTEE RECOMMENDATION SFIC 2026/4**

Moved: Gary Mottau

Seconded: Alistair Walker

That the Committee:

1. Endorses to Council the development of a 1) New ten-year Community Strategic Plan (CSP), 2) New four-year Delivery Program (DP), and 3) the FY 2026/27 Operational Plan supported by an external professional consultancy.
2. Receives and notes this report pertaining to an overview of the NSW Integrated Planning and Reporting framework.
3. Provides direction to implement active, multi-channel community engagement.

**CARRIED**

At 3:46pm Scott Mason, left the meeting and Gary Mottau assumed the role of chair.

#### **9.5 FY 2026/27 IP&R Strategic Considerations - NIGC and NIA**

##### **SUMMARY**

The purpose of this report is to outline strategic considerations related to the Norfolk Island Governance Committee (NIGC) and Norfolk Island Assembly (NIA) to inform the Committee in advance of the FY 2026/27 IP&R process.

##### **BACKGROUND**

The upcoming FY 2026/27 IP&R process will be unique, not only due to the number of Framework plans requiring renewal, but also because of sustainability considerations relating to the Norfolk Island Governance Committee (NIGC) and the future Norfolk Island Assembly (NIA). This may require that Council delete or defer business-as-usual actions in its FY 2026/27 Operational Plan in order to facilitate a sustainable transition to the next governing body.

#### **COMMITTEE RECOMMENDATION SFIC 2026/5**

Moved: Gary Mottau

Seconded: Alistair Walker

That the Committee:

1. Discusses the strategic considerations for the upcoming FY 2026/27 IP&R process as they relate to the Norfolk Island Governance Committee (NIGC) and the Norfolk Island Assembly (NIA).
2. Provides appropriate direction to Council and management to consider in implementing any Committee recommendations pursuant to part one of this resolution.

CARRIED

At 3:53pm, Scott Mason rejoined the meeting, with Gary Mottau continuing as Chair for the remainder of the meeting.

## 9.6 Primary Financial Statements, Special Purpose Financial Statements and Monthly Budget Review - 31 December 2025

### SUMMARY

The purpose of this report is to provide monthly financial reports to SFIC to assist in its obligations and duties under the Committee's Terms of Reference. This report includes primary financial statements, special purpose financial statements and a monthly review of the FY 2025-26 annual budget.

Pursuant to Council Resolution No. 2025/288, the Committee is advised that these reports were provided to the Lead Administrator during Council's recess in January 2026.

*Disclaimer: These unaudited interim financial statements are presented for informational purposes and have not been subjected to an independent external audit. As such, they do not present a complete picture of the Council's financial position and do not contain all the disclosures required in the annual General Purpose and Special Purpose Financial Statements. They are intended to provide a periodic update to residents and other stakeholders and should be read in conjunction with the most recent audited financial statements.*

### BACKGROUND

As part of proper financial stewardship of Norfolk Island Regional Council, management provides Council and the community with monthly financial reports. The reports provided include consolidated primary financial statements, special purpose financial statements and a monthly review of the FY 2025/26 budget with recommendations for remedial action associated with an unsatisfactory budget position.

### COMMITTEE RECOMMENDATION SFIC 2026/6

Moved: Alistair Walker

Seconded: Gary Mottau

That the Committee:

1. Receives and notes the consolidated Income Statement for the six months ending 31 December 2025 and Statement of Financial position then ended.
2. Receives and notes the Special Purpose Financial Statements for the six months ended 31 December 2025.
3. Receives and notes the Monthly Budget Review Income Statement for the six months ended 31 December 2025.

CARRIED

## 9.7 Amendment to Note B1-1 - FY 2024/25 Financial Statements

### SUMMARY

The purpose of this report is to advise the Committee of a proposed amendment to the adopted FY 2024/25 Financial Statements that will be considered for Council approval at the 4 February 2026 Ordinary Council Meeting.

**BACKGROUND**

Council's audited Financial Statements for the financial year ended 30 June 2025 were received and noted by Council as part of Resolution No. 2025/171 on 29 October 2025. These Financial Statements were accompanied by a public notice and comment period as prescribed by the relevant legislation.

While not specifically noted during the public exhibition period, a Commonwealth representative did make enquires to Council around the figures incorporated in one of the notes to the General Purpose Financial Statements (GPFS), specifically Note B1-1 "*Functions or activities – income, expenses and assets.*" The concern raised was associated with the function, "Commonwealth Service Delivery," (the *SDA*), which presented a significant net profit position in the audited Financial Statements. This was interpreted to be misstatement, as the cost recovery on Commonwealth Service Delivery functions was much more limited in FY 2024/25 and FY 2023/24. It is expected that the cost recovery in FY 2025/26 will be negative on account of the introduction of corporate overhead costing for the current financial year.

The "*Total functions and activities*" row in the note is correctly stated.

**COMMITTEE RECOMMENDATION SFIC 2026/7**

Moved: Alistair Walker

Seconded: Scott Mason

That the Committee receives and notes this report pertaining to the proposed amendment to Note B1-1 in the adopted FY 2024/25 Financial Statements.

**CARRIED**

**10 FINANCIAL IMPROVEMENT PLAN****11 FY 2026/27 IP&R****12 ITEMS FROM COMMITTEE MEMBERS****13 OTHER BUSINESS****13.1 Role of the Audit, Risk and Improvement Committee (ARIC)****SUMMARY**

The purpose of this report is to brief the members of the Strategic Finance Improvement Committee on the roles and responsibilities of the Audit, Risk and Improvement Committee (ARIC).

**BACKGROUND**

Pursuant to Section 23A of the *Local Government Act 1993 (NSW) (NI)* and the *Guidelines for risk management and internal audit for local government in NSW*, Council has established an Audit, Risk and Improvement Committee, or ARIC. The role of ARIC is to review and provide independent advice to Council regarding the following aspects of Council's operations:

- Compliance
- Risk management
- Fraud control
- Financial management
- Governance
- Implementation of the strategic plan, delivery program and strategies
- Service reviews
- Collection of performance measurement data, and
- Internal audit

The current composition of ARIC is as follows:

**Chairperson and Independent External Voting Member** - Timothy Cronin

**Independent External Voting Member** - Kathy Campbell

**Independent External Voting Member** - Katie Sexton

**Non-Voting Member** - Gary Mottau

ARIC currently meets at least four (4) times per year, and members are appointed by resolution of Council for up to a four-year term.

#### **COMMITTEE RECOMMENDATION SFIC 2026/8**

Moved: Alistair Walker

Seconded: Gary Mottau

That the Committee receives and notes this report pertaining to an overview of the Audit, Risk and Improvement Committee (ARIC).

**CARRIED**

At 4:26pm Scott Mason left the meeting.

### **13.2 Overview of Other Council Advisory Committees**

#### **SUMMARY**

The purpose of this report is to provide the Strategic Finance Improvement Committee with an overview of two other active Council Advisory Committees, the Environment and Sustainability Advisory Committee and the Electricity Special Purpose Committee.

#### **BACKGROUND**

Norfolk Island Regional Council establishes advisory committees under Part 20 of its Code of Meeting Practice and in accordance with Section 355 of *Local Government Act 1993 (NSW)(NI)*. These committees provide advice to Council on matters of strategic significance. In addition to SFIC, there are currently two other active advisory committees, the Environment and Sustainability Advisory Committee (ESAC) and the Electricity Special Purpose Committee (ESPC). The current Terms of Reference for both committees are attached to this agenda paper.

#### **COMMITTEE RECOMMENDATION SFIC 2026/9**

Moved: Gary Mottau

Seconded: Alistair Walker

That the Committee receives and notes this report pertaining to an overview of the Environment and Sustainability Advisory Committee and the Electricity Special Purpose Committee.

**CARRIED**

**14 DATE OF NEXT MEETING**

The next meeting of the Strategic Finance Improvement Committee will be held on 26 February 2026 at the Committee Room, Bicentennial Building.

**15 CLOSE OF COMMITTEE MEETING**

The meeting closed at 4:36pm.