



30 November 2020

Hon Nola Marino MP
 Assistant Minister for Regional Development and Territories
 PO Box 6022
 House of Representatives
 Parliament House
 Canberra ACT 2600

By email: minister.marino@infrastructure.gov.au
Sophie.Beeton@infrastructure.gov.au

Dear Assistant Minister Marino | Nola,

Teleconference to discuss sustainability for Norfolk Island

A note of thanks Assistant Minister for our positive phone link up this morning. As I said this morning it is a shame that you and I have not had the opportunity to 'meet' more frequently and discuss issues first hand. However, you have my assurance we will respond to the issues you raised as promptly as possible and will continue the conversation around sustainability for our island with the Department officers when we meet on Friday morning. I have invited the Administrator to join us at that meeting.

Short notes of this morning's meeting are attached.

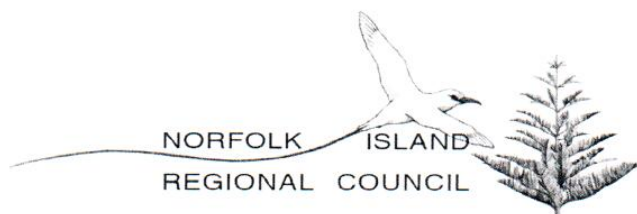
With best wishes,

A handwritten signature in dark ink, appearing to read "Robin".

Cr Robin Adams JP
MAYOR

cc: Eric Hutchinson, Administrator
 John McCoy, Deputy Mayor
 Andrew Roach, General Manager





Teleconference Meeting:

10:00am Monday 30 November 2020

Present: Assistant Minister Nola Marino, Sarah, Nicole, Mayor Robin Adams, Deputy Mayor John McCoy, Eric Hutchinson
Melame Plant (Note taker)

Minister Marino opened the meeting and requested all in the hookup to say hello and acknowledge their presence. Minister welcomed everyone to the meeting and invited the Mayor to speak. Mayor's talking notes are as follows:

1. *I welcome the opportunity to speak with you Assistant Minister in these difficult times and seek your indulgence to put my thoughts on the table to start our conversation. Deputy Mayor Cr McCoy is with me this morning.*
2. *Councillors continue to workshop the two audit reports which are comprehensive and provide very valuable tools for Council to use to assist in restoring its cash position to adequately meet its commitments, fund day to day operations and meet its obligations as they fall due. However, the value of the tools lies in partnering with the Commonwealth.*
3. *The reports highlight that significant legacy issues were inherited by NIRC when it commenced in July 2016; and that NIRC does not have sufficient funding capacity for the issues identified in the reports to be addressed in a timely manner.*
4. *FOR ME THE KEY FINDING IN THE GRASSROOTS REPORT IS THE URGENT NEED FOR A LONG-TERM FUNDED STRATEGIC AND FINANCIAL PLAN (THE PLAN) TO BE DEVELOPED IN A COLLABORATIVE MANNER BETWEEN NIRC AND THE COMMONWEALTH; AND I STRESS THE NEED FOR URGENCY.*
5. *Step 1 to put Council on the road to sustainability and become economically viable is the urgent development of this Plan*
6. *Step 2 to be carried out in tandem with Step 1 is the development of a **Partners in Government Agreement** setting out the roles and responsibilities of the Commonwealth and NIRC in a form simplifying the complexity of the Norfolk Island governance model.*

7. *To move forward with Steps 1 and 2 there is an immediate need for bridging finance from the Commonwealth and a proposal has been put on the table in a memo from myself to the General Manager that was delivered by him to the department early November in which Council sought re-imbursement of around \$8M for expenditure on biosecurity costs for the importation of metal for the airport reseal and sealing of 9 kms of roads by Boral.*
8. *As stated in my letter to you of 23 November 2020 the dismissal or suspension of the first Norfolk Island Regional Council would be absolutely detrimental to the Island, the community and the Commonwealth and merely resurrect feelings from 2015 with the dismissal of the Legislative Assembly.*

Minister stressed the seriousness of the situation as expressed by the two audit reports and the need to look for solutions to the long term sustainability of the island and it's inhabitants. Given that the \$8 Mil, requested are for operational matters – what are the services that Council is looking to reduce in aid of trying to rebuild the Council's finances.

Mayor puts forward some of the measures provided by the General Manager which includes closure of such services as the Visitor Information Centre, Library, Radio Station and Works Depot. Councillor McCoy suggests that a lot of the services currently provided by Works Depot can be outsourced to the private sector on the island on as needs basis eg. Fleet Maintenance.

Minister commented on the impact that these service cuts would have on the island's community. Minister also reiterated the very serious matters brought to light by the Audit reports and the need to think carefully about how to move forward. Minister thanked the Mayor and Councillors and acknowledged the tough decision made as per the Mayor's letter of 30 October (Requesting the delay of the Election) Minister applauds Council's decision to try and resolve the issues prior to handing the reigns over to a new Council.

Councillor McCoy commented on Council's commitment – and the effect that COVID19 has had on the community and the Council's finances. Tourism as the island's primary industry needs to be supported by maintaining operations for the Airport, Electricity, Fire Services and Telecom. Other supporting services such as those provided to maintain our Reserves and road verges are not high priority. Plans of management have opened opportunities for grant funding applications which are great for the island.

Minister in acknowledging the request for bridging finance to be provided by the middle of December – asked how much is needed for a Payroll period. Mayor and Councillor McCoy stated \$330,000.00. Departmental Officers are coming to the island this week and will collect more information for the Minister so she can make an informed decision on the very serious situation that the island is in.

Minister applauded the EMNI committee and all involved in handling the pandemic on the island and keeping the island safe.

Minister once again stated her position that she is looking very carefully at all options available and will get more information from her staff once they come to the island as she takes the situation as provided in the Audit Reports very very seriously.

Mayor thanked the Minister for her time.