



# Better Practice Review

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## Town of Port Hedland

2016

Department of Local Government and Communities

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## **PART I – BETTER PRACTICE REVIEW**

The Local Government Better Practice Review (BPR) Program is an initiative undertaken by the Department of Local Government and Communities (Department) to recognise and promote good practice in Western Australian country local governments. The BPR Program is part of the State Government's Country Local Government Fund (CLGF) Capacity Building Program.

The BPR Program involves a review team assigned to work closely with local governments to review key areas of that local government's activities and operations.

### **Program Objectives**

The BPR Program has been designed to acknowledge areas of better practice whilst encouraging improvement in the way local governments conduct their activities to ensure good governance and build the capacity of the local government sector.

The objectives of the program are to:

- Generate momentum for a culture of continuous improvement and greater compliance across the local government sector.
- Promote good governance and ethical regulation.
- Identify and share innovation and best practice in the local government sector.
- Act as a 'health check' by providing departmental advice and support to local governments that may be experiencing operational problems.

### **Reporting of a BPR**

Through the local government completed self-assessment checklist and the collection and collation of additional relevant information prior to an onsite review, the review team will summarise key findings in the areas of:

- Governance
- Planning and Regulatory functions
- Plan for the Future (strategic and corporate planning)
- Assets and Finance
- Workforce planning and Human Resource (HR) management
- Community and Consultation

The onsite visit can take anywhere between 1-5 days, depending on the size and location of the local government and the scope of the findings. The onsite review is a key component of a BPR as it presents the review team with an opportunity to further expand upon the knowledge gained from reviewing the local government's documents, which in turn assists in analysing and reporting on the above mentioned areas.

The report aims to highlight areas where a local government is demonstrating better practice, as well as providing constructive feedback on addressing any areas for further development. Where appropriate, the areas recognised as requiring further development will feature suggested recommendations that the local government can aim to address through a documented action plan.

Although the report will address some legislative requirements, it's important to note that this is not solely a compliance exercise, and feedback focuses on building the capacity of the organisation to achieve sector standard across a range of functions and operations.

## **Implementation**

The local government has the opportunity to provide commentary and feedback on any findings of the review and/or a response to each area of the report, ensuring the report captures an accurate reflection of the local government. In particular it is requested that the local government review and complete the draft action plan in this report which identifies recommendations for the areas for further development.

## PART II – EXECUTIVE SUMMARY

A BPR took place at the Town of Port Hedland in November 2015. The review team wishes to thank Chief Executive Officer Mr Mal Osborne, Executive Officer Mr Peter Kocian, Director Community and Development Services Mr Chris Linnell, Director Works and Services Mr Brendan Smith, Manager Corporate Services Ms Anna Duffield, Governance Coordinator, Ms Jo Bianchi, Town Mayor Ms Kelly Howlett, elected members and staff for their cooperation and participation during the BPR process and for providing valuable information on the Town's practices and procedures.

Port Hedland has been a hub for iron ore export for a number of years. During the most recent mining boom, the Town was in the position of managing the expectations key stakeholders and the community, in addition to providing appropriate infrastructure to support the changing environment. Staff were open in acknowledging that during the mining boom period, Council operations were occurring at a very fast pace and in some cases without the documented procedures keeping pace. The Town indicated that due to the now slower resources sector, it has been able to refocus priorities to ensure internal procedures are now receiving due attention. In addition to external circumstances changing, the Town has also had internal factors to consider since the October 2015 council elections, which saw some new council members elected.

Given the changing circumstances the Town has dealt with, it has displayed resilience and is strengthening areas that required improving. Supporting this internally has been the Town's proactive approach to improving workplace culture by developing and instilling a set of core corporate values. Additionally, the Town's work on its overall approach to community engagement, particularly strengthening the mechanisms utilised to interact with the community is an encouraging improvement. A variety of different platforms including its online engagement portal 'Your Say' Port Hedland and face to face 'Community Conversation' forums have been employed to ensure the community are given ample opportunity to engage with the Town and provide feedback.

The review also found the Town demonstrates strengths in a number of other areas including a well-documented approach to managing emergency events such as cyclones and bushfires and a proactive involvement in its Local Emergency Management Committee. The Town has a commendable asset management framework and documents which guide its approach to managing its assets and finances.

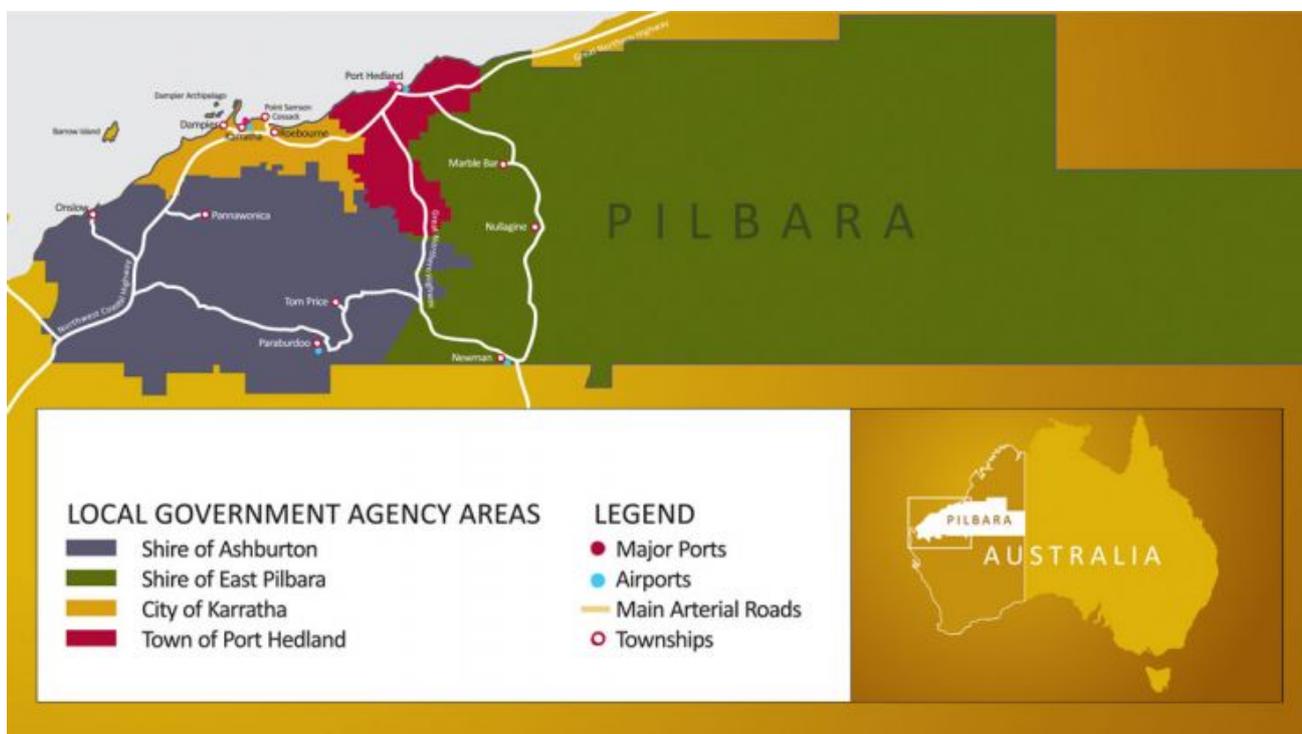
The Town was realistic and upfront about the challenges it faces and as such, many of the areas for further development were recognised by the Town during review. These areas focused on the need to improve the documentation of policies and procedures to guide both staff and elected members in the undertaking of their respective roles and responsibilities. Other improvement areas discussed with the Town and highlighted through the report include conduct of council meetings, interactions between administration and elected members and the need for clear strategic direction.

As stated, in most instances, the Town was already aware of these issues and consequently, indicated it is in the process of addressing most of these areas, or planning to in the near future. The Town is encouraged to continue its work in making improvements across the organisation.

### PART III – LOCATION AND DEMOGRAPHICS OF TOWN OF PORT HEDLAND

The Town of Port Hedland local government district (the Town) covers an area of around 11,844 square kilometres (km) and is located in the Pilbara region of Western Australia (WA) approximately 1650km north west of Perth. The Town borders other Pilbara local governments, including the Shire of East Pilbara, the City of Karratha and the Shire of Ashburton. Due to its location, the Town is also subject to distinct weather seasons, including a tropical cyclone season which runs from November to April. During this season heavy rains, some localised flooding and cyclones can occur, meaning the Town needs to have the appropriate measures in place to manage such events.

The Pilbara is renowned as a mining and resource rich region with Australia’s largest export port located in Port Hedland, making iron ore processing and export the predominant industry. In addition to iron ore export, other major industries include salt production, exporting magnesium, tourism, pastoral and light industrial. An international airport is also located within the Town and operates daily flights to Perth and weekly flights to Brisbane, Broome, Melbourne and Bali.



As the mining and resource sectors are the predominant industries in Port Hedland, the Town has a large transient population that has been subject to significant fluctuation in recent years.

Projections of the Town’s population have been varied over the years with population figures reaching over 20,000. However at June 2014, the Australian Bureau of Statistic figures show that the Estimated Resident Population (ERP) of the Town was 16,810; 58% of which were male and 42% were female.

The ERP indicates that all four of the Pilbara local governments median age is below the WA state average of 36 years, however the median age was lowest in Port Hedland, at 31.7 years of age. The 25-34 year age group represented the highest proportion of the population with a combined percentage of just over 24% of the overall population.

## PART IV – REVIEW AND ASSESSMENT

### 1. Governance

#### Introduction

Corporate governance is important because it enhances organisational performance; manages and minimises risks; increases the confidence of the community and the local government sector; ensures that the organisation is meeting its legal and ethical obligations; and assists in the prevention and detection of dishonest or unethical behaviour.

A local government, being the creation of the State and having the express obligations put upon it by an Act of Parliament to ‘provide for the good government of persons in its district’, must have at its core sound governance, decision making and accountability principles.

#### Legislative and policy framework

- *Local Government Act 1995 (the Act)*
- *Local Government (Administration) Regulations 1996*
- *Local Government (Audit) Regulations 1996*
- *Local Government (Functions and General) Regulations 1996*
- *Local Government (Rules of Conduct) Regulations 2007*
- *State Records Act 2000*
- *State Emergency Management Act 2005*
- *Freedom of Information Act 1992*
- *Public Interest Disclosure Act 2003*

#### Areas of Better Practice

The Town’s governance practices were considered during the review and as a result of the assessment process the following has been identified as demonstrating Better Practice:

Area of Better Practice	Why the initiative is considered Better Practice
Values, Ethics and Workforce	<p>In response to some previously identified organisational culture issues, the Town recently instigated the development of a set of organisational values and ethics; Quality, Unity and Integrity, supported by a list of agreed “above and below the line behaviours” (in alignment with said values).</p> <p>Developed by the Town’s employees via the Staff Consultative Committee, the values and behaviours have also been incorporated into a document, ‘Our Values in Action’, which employees are required to sign, acknowledging that they understand its content and agree to abide by it — similar to a code of conduct.</p> <p>During the onsite visit, Town staff stated there had been a noticeable improvement in workplace culture since the implementation of the organisational values, and a positive workplace culture was evident to the</p>

	<p>review team. The Town is commended for its positive and proactive approach to improve its organisational and workplace culture.</p>
<p>Statement of Business Ethics</p>	<p>In recent years, as a result of various findings of the Corruption and Crime Commission (CCC) and sector best practice recommendations, local governments have been encouraged to develop business ethics statements to guide external parties (such as suppliers and contractors) on the expected standards and conduct required when dealing with a local government, or acting on its behalf.</p> <p>Recently, the Town has developed a statement of business ethics to be provided to all contractors and suppliers. In line with recommended best practice the Town's Statement of Business Ethics is a comprehensive document which clearly outlines the ethical standards and expectations that external parties are expected to comply with when doing business with the Town; the Town's business principles; what contractors can expect when doing business with the Town; information on compliance, and consequences for non-compliance.</p> <p>The statement is readily available on the website making it easily accessible for elected members, the community, contractors, suppliers and all other stakeholders who may be considering conducting business with the Town.</p>

As a result of the assessment process a number of additional strengths were found:

- Despite various internal and external challenges, staff demonstrate a 'can do' attitude and a commitment to their roles as local government employees. Overall, it is evident there is a good working relationship between general staff, the executive team and CEO. Further, the executive team and CEO have a good insight into the areas of the Town requiring improvement and demonstrate a willingness to continuously improve, in light of, and despite, various challenges facing the organisation. One example which demonstrates this is the recent development of the Town's organisational ethics and values, as discussed above.
- A comprehensive social media policy is in place (policy 1/013) which provides a detailed and clear policy framework on the use of social media by staff and elected members. The policy outlines usage guidelines for the Mayor, elected members and employees, as well as outlining a number of general, overarching principles in relation to the use of social media including communication principles, acceptable use and record-keeping.
- Organisational risk management involves the systematic identification, analysis, evaluation, control and monitoring of risks. While some risk cannot be entirely eliminated, local governments are encouraged to establish a risk-aware culture and establish structures, processes and controls that can effectively reduce risk profiles. The CEO's review of systems and procedures (as required by Regulation 17 of the *Local Government (Audit) Regulations 1996*) identified a number of areas for improvement in the Town's risk management that have

been documented in a Risk Management Improvement Plan; many of which the Town has begun implementing.

- As a result of identified gaps in risk management, the Town has recently developed a Risk Management Policy (endorsed by Council in December 2015) and is in the process of developing a risk management strategy and framework to further support the implementation of risk management across the organisation. The Town is currently working with Local Government Insurance Services (LGIS) to further develop its risk management procedures and now includes risk implications in all staff reports to Council. It has also engaged the services of a risk analyst on a 6-month contract to establish business improvements and ensure a high level of probity in regards to procurement. The Town is encouraged to continue developing its risk management strategies to support the implementation of a risk aware culture.
- Due to a recent vacancy arising on Council and a subsequent extraordinary election being held in April 2016, the Town is running information sessions for potential candidates in February and March. The sessions will include information pertaining to the roles and responsibilities of elected members and the Town's returning officer is also scheduled to attend. During the review, the Town advised it has previously used the Department's information for Aboriginal Australians (e.g. 'Local Government in Western Australia – A guide for Aboriginal communities') at its candidate information sessions as there are some discrete Aboriginal communities located within its boundaries. It is expected, and recommended, that the Town continue to use this information for all future and current candidate information sessions as it is good practice.
- In addition to its monthly Ordinary Council meetings, the Town conducts agenda briefing sessions for elected members that are open to the public. Comprehensive information about these sessions is provided on the Town's website, including policy '1/018 - Public Agenda Briefings', a set of guidelines, procedures and notes from each session. By allowing public attendance at briefing sessions, the Town ensures accountability, openness and transparency in the process.
- Procedures for public participation in Council meetings (including the agenda briefing sessions) are succinctly documented, including in the Town's Standing Orders — Part 6 Public Participation — and through information included on the Town's website, and provided at Council meetings, which incorporates a public question time form and guidelines.
- Separate from the briefing sessions, the Town holds monthly concept forums for elected members that are not open to the public. In line with recommended practice as outlined in the Department's *Operational Guideline Number 5 – Council Forums*, the forums are supported by a policy '1/019 – Confidential Concept Forums'. The policy clearly outlines the role and purpose of the forums including no decision making, declarations of interest, confidentiality and the role of presiding member. The Town also keeps a record of items covered at the concept forums which are made available to the public on its website. This is good practice.

## Areas for Further Development

As a result of the assessment process a number of areas were identified for further development:

- Although there is generally a positive workplace culture at the Town, the Department is aware that some tensions currently exist in the relationships between elected members and staff. The Town's Code of Conduct briefly refers to matters of relationships between elected members and staff, but it is noted protocols are not formally documented in regards to communications between the parties, or for requests for information from elected members. In light of the fact the Town has a number of new elected members who have not previously served on Council, and an extraordinary election is to be held in April 2016 for an additional elected member, it is recommended that the Town develop policies to formalise its practices around elected member and staff interactions and requests for information.
- The Town is in the process of reviewing its Code of Conduct (code) which s. 5.103(1) of the Act prescribes, is to be a single code observed by council members, committee members and employees (not separate codes for elected members and staff). As of February 2016, the code was in draft format. The draft contains information in regards to enforcement and non-compliance, a section for written acknowledgement of the code, and link to the Town's organisational values; all of which are positive additions. The Town is encouraged to finalise its review of the code and upon completion, require all staff and elected members and committee members to sign off on the code, acknowledging they have read, understood, and agree to abide by its contents. Further, given the current code is available for public viewing on the Town's website, the new code should also be made available this way.
- The documentation of formal policies on these matters will ensure all new elected members are clear on their roles and responsibilities as well as providing a refresher for continuing elected members, ensuring good governance practices for the Town. This information should also be included in any formal induction and/or training packages for elected members and staff. Relationships between Council and employees (including roles and responsibilities) are governed by various legislation, namely ss2.7 to 2.10, 5.2, 5.41 and Division 9 of the Act and the *Local Government (Rules of Conduct) Regulations 2007* and should be referred to by the Town in the development of any policies and training materials (see below for recommendations on training and development for elected members).
- An ongoing risk – with any local government – is where elected members do not fully grasp their strategic governance role and seek to have a greater input into operational facets of the organisation. Whether this arises through a lack of understanding on the roles of Council and the administration, or on purpose, it can impact on the ability of a local government to function effectively and provide good government for its district. One way local governments can seek to address such issues is through a formalised induction and training program for elected members. In line with this, prior to the 2015 Council elections, the Town developed an induction program for new elected members; and following the elections developed a training program for all elected members. The training schedule includes information such as statutory obligations and duties, decision making processes, meeting structures and strategic planning.

- While there is a relatively comprehensive training program that has been put in place, the review team is aware the Town has experienced some difficulties in getting elected members to attend training, either through lack of availability or other reasons. This being the case, it is apparent the Town has sought to make training as accessible as possible, by scheduling sessions at various times of the day and week, over weekends, and seeking feedback on proposed times and dates in advance. Given the importance of training and development for good governance, the Town's elected members are strongly encouraged to make themselves available for training wherever possible.
- The Town has a Customer Service Charter and 'Procedure for Customer Complaints' document on its website demonstrating its commitment to ensure the community is aware of the customer service standards they should expect when dealing with the Town. The website also includes a Customer Request Form and Works Request Form. Together, these documents provide the Town with a good foundation for its complaints handling and customer service processes. Yet it is noted they are considerably out of date (April 2009). In order for the Town to continue delivering a high-level of customer service to its community and stakeholders it should ensure both documents accurately reflect its current procedures and customer service standards, in addition to reflecting its current set of organisational values and ethics.
- According to minutes from its February 2015 ordinary meeting, the Town of Port Hedland Council resolved by absolute majority and on the recommendation of the audit committee, to award the tender for the provision of audit services to RSM Bird Cameron for a five-year period. The vote was carried by an absolute majority as required by s7.3 of the Act, yet the resolution does not fully comply with the Act which specifically states a local government is to appoint a named person/s to be its auditor, not the company, or 'the partners' of the company (note the Department's *Operational Guideline Number 9 – Audit in Local Government*, part 4). The Town should rectify this at its earliest convenience, ensuring it is fully compliant with all legislative requirements, specifically Part 7 of the Act and the *Local Government (Audit) Regulations 1996*.
- The Town does not have any internal auditing processes in place, but stated during the onsite review that an internal audit was something it was looking to implement. It is noted that the issue of an internal audit was recently presented for consideration by the Town's Audit, Risk and Governance Committee (February 2016). It is further noted that the implementation of an internal audit function is an action of the Town's Corporate Business Plan under Strategy 4.1.1 'Deliver high quality corporate governance, corporate accountability and compliance'. Whilst an internal audit is not a legislative requirement, it is recommended good practice and the Town is encouraged to continue working towards implementing this function. The Department's *Operational Guideline Number 9* provides guidance and information on this process.

- The Town's Risk Management Improvement Plan identifies a need for the Town to develop a system or framework to support its activities in regards to legislative compliance. The review team agrees and recommends that the Town develop a legislative compliance checklist or calendar. A checklist or calendar will ensure the Town meets all legislative compliance requirements throughout the year, promote accountability and legislative awareness amongst all staff and minimise risks to the organisation.
- Currently, the Town has two policies in place to guide its activities in the provision of goods and services (Policy 2/007 Procurement and Policy 2/011 Tendering). Due to recent changes to the *Local Government (Functions and General) Regulations*, the Town should update its policies to ensure they accurately reflect all changes. For example, the tender threshold has now increased from \$100,000 to \$150,000 (Regulation 11(2)) and Part 4, Division 3 has been included in reference to the creation of panels of pre-qualified suppliers. For further information regarding these changes the Town should refer to the Department's circular, number 16-2015, 'Amendments to the Local Government (Functions and General) Regulations', available from the website [www.dlgc.wa.gov.au](http://www.dlgc.wa.gov.au).
- The Town's policy manual contains a comprehensive array of policies dealing with a wide range of functions. Overall, the policies are of a reasonable standard to allow staff and the Council to meet their statutory obligations, yet there are some inconsistencies in respect to the layout and format of the policies within the manual. Specifically, some policies include detailed information in relation to the dates of adoption and review, responsible persons and review frequency, which is good practice; but is not consistent among all policies. At the next review of its policy manual, or review of individual policies, the Town is encouraged to include this information across the manual.
- In addition to policy manuals, local governments are encouraged to develop manuals for operational policies/procedures, to assist in differentiating Council policies from administrative ones and support the separation of powers as defined by the Act and Regulations. The Town has indicated it is looking to develop an internal procedures/policy manual as a place to keep all of its Internal Operating Procedures (IOPs) and is encouraged to continue working towards this. Through this process, the Town should also undertake a holistic review of its current policies and IOPs; to remove or revise those that are no longer current and/or develop new IOPs (or policies, whatever is appropriate) where there is an identified gap.
- As previously mentioned, the Town runs agenda briefing sessions and provides a record of these to the public. Whilst this is good practice, upon reviewing the Town's website it is noted that no notes have been uploaded since the February 2015 agenda briefing session. To continue ensuring transparency and openness in the process, the Town should review its website and update it accordingly.
- At the onsite visit, the review team attended the November 2015 Ordinary Council meeting and notes that the meeting was in session for approximately five and a half hours. Since the visit, the team has reviewed additional minutes (and audio recordings available on the website)

and found the meetings are frequently in session for between three to five hours, sometimes more; considerably longer than for most similar sized local governments.

- Unnecessarily long meetings are inefficient and put an extra burden on both elected members and staff who have to attend. Additionally, longer than “normal” Council meetings can indicate a variety of broader issues within a local government including elected members involvement in operational matters, discussions at Council meetings that are either unnecessary or could be asked in a different way or format, and/or an ineffective or dysfunctional Council. It is not the intent of a BRP to focus on more complex issues such as a council’s functionality, yet the review team does have some concerns in regards to the meetings running for such a considerable amount of time. It is essential that Council and the Town’s administration work together to reduce the duration of Council meetings.
- While some recent agenda items have related to significant issues for the Town, potentially affecting the length of meetings, it is the review team’s observation that a number of additional factors are contributing to the effectiveness (or lack thereof) of the Town’s council meetings. Key observations include:
  - Some elected members appear to take an extra interest in administrative and operational matters, rather than the appropriate strategic ones, and are asking questions/making statements/requesting information of this nature at Council meetings. It is noted that Council’s decision making role should usually only fall into one of five categories; an Advocacy role on behalf of the local government or community; an Executive role (adopting budgets and endorsing plans for example); a Legislative role (such as adopting local laws); a Quasi-judicial role in determining approvals (including planning, building, permits and licences), and lastly, a Review role in respect to reviewing certain decisions made by staff. Generally, matters outside these parameters should not be discussed at Council meetings as it slows down the business of the meeting, in addition to confusing the role of Council and administration. To clearly identify the nature of Council’s decision making role, and ensure a strategic focus is maintained at all meetings; the Town should consider including information of this nature in each report it presents to Council. For example, the inclusion of a heading such as “Nature of Council’s Roles in the Matter” (or similar) is recommended.
  - It is apparent that some elected members are using time during the meeting, specifically during the items ‘Questions from members without notice’ and ‘Reports by elected members without discussion’ to undermine the administration, including questioning staff expertise and professionalism; and to ask questions or make statements unrelated to the business at hand or to the good government of the district. This is not appropriate behaviour for an elected member in any public forum, particularly not in a Council meeting as it takes time away from the decision making process. The Town should set out to properly, and clearly, define the intent of these parts of the meeting and consider the stronger application of standing orders where appropriate. The Town should also critically review its order of business policy (policy

1/017), and standing orders, to consider the need for these parts of the Council meeting altogether.

- During the course of a month, elected members and staff regularly come together as a group, outside of the formal meeting structure, to discuss council business (namely through regular agenda briefing sessions and concept forums — “forums”). As outlined in Operational Guideline 5, forums are intended to provide opportunities for elected members to discuss ideas and strategies with staff, seek clarification and ‘gain maximum knowledge and understanding of any issue’, allowing the ordinary meeting of council to focus on the decision making needs of the local government. Given some comments being made at council meetings, the Town’s forums would be more appropriate avenues for such conversations.
- Good decision making is enhanced when a council meeting is effectively chaired and facilitated, with adherence to meeting procedures and statutory requirements. The Mayor controls meetings well, ensuring proceedings are conducted in a proper manner. On occasion though, the review team feels some elected member and public questions/statements may have been given more latitude than recommended. For example, comments made in some meetings could be verging on defamatory, at the least inappropriate (as also noted above); in addition to being overly repetitive (and over the course of multiple meetings) and not necessarily related to the business of the local government, specifically not the strategic business of the local government, which is the role of Council. As provided in the standing orders, discretion should also be made in regards to recording these types of questions or statements (see section 6.7(6), 6.8, 8.1 and 9.7 of the standing orders).
- Section 5.24 of the Act and the *Local Government (Administration) Regulations 1996* state that members of the public can ask questions at council meetings. In addition to questions, the Town also sets time aside for public statements. As a key part of the meeting process, it is essential that public time is managed well and members of the public are given the opportunity to have their say, particularly when controversial and/or topical issues are being presented. The provisions for public participation in the standing orders state that a member of the public may ask up to three questions at a meeting and allows a maximum of five minutes for a public statement. In certain circumstances, it may be appropriate for Council to consider more closely adhering to these procedures.
- To the public, council meetings are one of the most visible examples of a local government’s decision making processes; where elected members come together to participate in discussion, debate a variety of issues and ultimately make strategic decisions for the good government of the district. Inappropriate and unprofessional behaviour by elected members and/or staff as representatives of the Town will negatively affect the public perception of the local government in respect to its standing in the local and wider community. For this reason, meetings that are not conducted in line with relevant legislation, internal policies and good practice will have adverse effects on the reputation of staff, elected members and the Town

overall. The Department has produced a number of operational guidelines that relate to meetings; 'A Guide to Council and Committee Meetings' (July 2014) and 'A Guide to the Preparation of Agendas and Minutes' (currently in draft form); in addition to all relevant legislation. As recommended throughout this report, the Town should refer to these documents, where required, to support good governance.

## The Town's response

The Town of Port Hedland supports the recommendations from DLGC and note that a number of the actions are already underway.

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
<b>Governance</b>				
Code of Conduct	1. Finalise the review and preparation of a single Code of Conduct and upon completion, require all elected members, committee members and staff to sign off on the code, acknowledging they have read, understood, and agree to abide by it.	July 2016	Corporate Information	Review being progressed.
Elected Member and Staff Interaction	2. Develop a policy and/or procedure to guide and formalise practices in respect to interactions between elected members and staff.	May 2016	Corporate Information	Complete – IOP distributed to all staff and Elected Members on 16 May 2016.
Access to information by Elected Members	3. Develop a policy and/or procedure to provide a framework in respect to elected members access to information.	July 2016	Corporate Information	Existing process in place (EM to contact CEO or Director), however needs to be documented.
External audit process	4. Ensure that an auditor is appointed in compliance with legislative requirements.	June 2016	Financial Services	Item to be presented to June OCM to confirm audit appointment process.

Internal Audit	5. Implement an internal audit functionality (OHS officer, risk mgt officer, EOQ for finance)	July 2016	Office of the CEO	Internal audit function endorsed by the Audit, Risk and Governance Committee at its March 2016 meeting. Function to be considered as part of the Town's realignment.
Customer service and complaints handling	6. Review and update the Town's customer service charter and complaints handling processes	June 2016	Corporate Information	Review being progressed with customer service working group
Procurement and Tendering	7. Review, and update where required, the Procurement Policy 2/007 and Tendering Policy 2/011, in line with recent changes to the <i>Local Government (Functions and General) Regulations</i> .	July 2016	Office of the CEO	Reviewed policies to be considered at May OCM for advertising
Legislative Compliance	8. Develop legislative compliance checklist/calendar	August 2016	Corporate Information	Calendar under development
Policy Manual	9. Continue to regularly review policies and at the next review, ensure consistency in the format of all the Town's policies.	December 2016	Corporate Information	Policies reviewed on monthly basis
Procedures/internal policy manual	10. Finalise development of a procedures manual to differentiate Council policies from administrative policies or procedures.	September 2016	Corporate Information	Significant review to consider strategic vs operational policies
Internal Procedures and Policy Manual	11. Undertake a holistic review of current policies and IOPs, removing or revising those which are no longer current and develop new policies/procedures where there is an identified gap, for inclusion in the manual.	December 2016	Corporate Information	IOPs under review

Agenda Briefing Sessions	12. Review and update website with notes from briefing sessions.	June 2016	Corporate Information	Format under review
Local Government Meetings	13. Undertake a review of the processes around the conduct of Council meetings, including the application of Standing Orders, the order of business policy, and relevant legislation, to ensure the efficient and effective use of elected member and administrative time.	May 2016	Corporate Information	Order of business to be considered at May OCM

## 2. Planning and Regulatory Functions

### Introduction

Local governments carry out a number of land-use planning and regulatory functions, the majority of which are enacted by State Government legislation. A number of these functions are also exercised through relevant local laws, planning schemes and policies. The way in which these functions are carried out by a local government, in line with appropriate legislation and in an efficient and effective manner, is important for achieving a wide range of social, economic and environmental outcomes.

### Legislative and policy framework

- *Local Government Act 1995*
- *Planning and Development Act 2005*
- *Health Act 1911*
- *Dog Act 1976*
- *Dog Regulations 1976*
- *Cat Act 2011*
- *Cat Regulations 2012*
- *Heritage of Western Australia Act 1990*
- *Building Regulations 2012*
- *Caravan Parks and Camping Grounds Act 1995*
- *Cemeteries Act 1986*

### Areas of Better Practice

An assessment of the Town's planning and regulatory functions were considered during the review and the following areas identified as examples of better practice.

<b>Area of Better Practice</b>	<b>Why the initiative is considered Better Practice</b>
Emergency management	<p>Local governments across the state are faced with a number of different emergencies that need to be appropriately managed to enhance the community's resilience and preparedness for such events. The Town is in a unique situation where it is in one of the most cyclone-prone areas of Australia and is also subject to a number of other natural threats including bushfires. As such, the Town plays a critical role in emergency management and has developed a comprehensive framework to prepare for and respond to emergencies in the Port Hedland area.</p> <p><u>Documentation</u></p> <p>Guiding the framework, is the Town's recently reviewed and endorsed Local Emergency Management Arrangements (LEMA) which set out the policies, strategies and priorities for emergency management, outlines emergencies</p>

that are likely to occur in the Town, define the roles and responsibilities of agencies involved and coordinates operations and activities.

The LEMA gives special consideration to the aboriginal community and acknowledges that cultural factors may put some of the remote communities at risk during an emergency. Isolation and language barriers are identified as risks that may require specialised local arrangements during an emergency event.

In the event of an emergency, the arrangements identify a number of local public warning systems, including the Town's website, as crucial communication strategies providing the community with relevant up-to-date information. This further highlights the important role the Town plays in the management of and recovery from emergencies, such as bushfires and cyclones.

To oversee, plan and annually test the emergency arrangements, the Town collaborates with a number of different government and non-government agencies as part of the Local Emergency Management Committee (LEMC). The Town indicated that the LEMC is a productive committee that meet monthly during cyclone season and bi-monthly in the off season.

In conjunction with the review of the LEMA, the Town also reviewed its local evacuation plan and recovery plan, ensuring they align with one another, which is considered good practice. The review process included community and stakeholder consultation as part of the Town's Emergency Risk Management Project in 2014-15. The consultation sought to identify perceived risks and ensure strategies were considered in the documented arrangements to address community and stakeholder concerns. Cyclones were identified as one of the main emergency risks.

#### Community education and awareness

As indicated, the Bureau of Meteorology reports the Pilbara Coast (between Exmouth and Broome) as the most cyclone-prone area in Australia and as such the Town takes on a strong community education and informing role, specifically for cyclone awareness and preparedness. An example of this is the Cyclone Information Booklet the Town developed and reviews annually, to inform and assist the local community with preparations for the cyclone season. In addition to this, the Town facilitates community presentations on cyclone preparation at the beginning of the cyclone season. An annual community briefing is arranged by the Town in conjunction with other government agencies to work through cyclone preparations, including a plan, in the lead up to the cyclone season. To further support this initiative, in March 2016 the Town organised seminar on designing and building to resist severe winds and cyclonic weather events. These presentations are

	<p>complemented by a vast amount of easily accessible information on emergency management on the Town's website.</p> <p><u>Internal procedures</u></p> <p>To manage and prepare the Town for the event of a cyclone and/or storm surge, the Town has developed an internal procedures manual. The manual has also been developed detailing each of the Town's. The manual includes checklists for staff to work through and details each of the Town's department's procedures in the planning, preparation, response and recovery to tropical cyclones and storm surge hazards.</p> <p>All of the above is evidence that the Town takes a well-rounded and thorough approach to ensuring its community and staff are prepared for the event of an emergency.</p>
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As a result of the assessment process a number of additional strengths were found:

- Supporting the community in its preparation for cyclone season is the Town's annual pre-cyclone green waste collection. The collection takes place across the Town prior to the cyclone season in October and allows for community members to clear their yards and gardens to minimise debris should a cyclone occur over the season.
- The Town's key planning documents are Town Planning Scheme No. 5 and The Pilbara's Port City Growth Plan. The Pilbara's Port City Growth Plan is a high level strategic blueprint to facilitate the sustained growth of Port Hedland. The associated Town of Port Hedland Local Planning Strategy was adopted by the Town and endorsed by the WA Planning Commission in 2012. Council initiated a local Planning Scheme review in 2014 and the in-house preparation of draft LPS 6 is underway. Despite the planning challenges associated with the rate of development that occurred during the recent 'resources boom' period, the Town continues to work with various government agencies and independently to ensure that planning related issues are a priority. Various areas currently in progress in relation to planning include:
  - Port Hedland Health Risk Assessment (Department of Health)
  - Planning studies to facilitate the South Hedland Tip relocation, utilising Northern Planning Program funds
  - West End and Port Hedland Town Centre Development Plans. The Town's proposed deliverable of a Local Planning Policy is generally consistent with the Cabinet-endorsed recommendations of the Port Hedland Air Quality and Noise Management Plan.
  - Local Housing Strategy project.
  - South Hedland East – Planning Scheme Amendment and Associated Planning.
  - Wedgefield Community Conversations
- Unclaimed, stray and surrendered animals are taken to the Town's animal management facility and are given the chance to be rehomed through the Town's 'Adopt a Pet' program. Animal

availability is posted on the Town's Facebook page and community members can then make an appointment to view the potential pet. Discounts are offered on pet adoption including 15% off sterilisation, 50% off microchipping and free three year registration after proof of sterilisation and microchipping is produced. The pet adoption program brochure includes information to consider before adopting a dog, including fence suitability, and the Town also offers a four day trial period to ensure people are 100% sure about pet adoption. These strategies assist in supporting animal responsible ownership.

- Partnering with the not for profit group, SAFE (Save Animals From Euthanasia), the Town hosts an annual Hedland Paws Walk which in addition to a 3 km walk includes other activities such as discounted microchipping, dog fashion parade, dog grooming and more. This is also an opportunity for Rangers to further provide information on responsible dog ownership. The annual fundraising event raises money for SAFE to continue working with the Town on programs such as Adopt a Pet.
- To assist with education on responsible pet ownership the Town has previously collaborated with the Pilbara Meta Maya environmental health team to access remote aboriginal communities. Rangers and the Pilbara Meta Maya officers visit these communities and offer to sterilise and provide fleas treatment for dogs, whilst taking the opportunity to promote and educate community members on dog health issues. This proactive program displays the Town commitments to providing education and awareness to key demographics of the community.
- The Town's website has a wealth of information on animal microchipping, registration, adoption, nuisance dogs and dogs attack. The barking dog information sheets includes information on how to report and promotes a civilised complaints resolution process, whereby the neighbour should courteously address the issue by way or letter or conversation with the dog owner. For continuous problems, the information includes a barking dog diary template and letter which is reported as evidence to the Town's Ranger service.

### Areas for Further Development

- An apparent legacy of the high volume of planning and development activity that occurred during the recent 'resources boom', and a high turnover of staff in that period, was that planning approval processes tended to be unstructured and confusing for applicants. To address this, staff are reviewing processes and procedures, including information provided online and staff are being upskilled to more efficiently deal with both planning and building applications. Planning and building applicants are being encouraged to discuss their plans with staff prior to submission, which will assist in streamlining processes and addressing community concerns.
- A concerning trend has recently emerged where elected members are questioning and seeking to review development applications that have already been approved by planning staff under delegated authority. This demonstrates a lack of understanding and trust by elected members and will have an unnecessary negative impact on community confidence in the Town's planning approval processes.

- The Town is currently reviewing local laws that were gazetted during the period since 1999. The Act requires that local laws be reviewed at least every eight years. Several of the Town's obsolete local laws were repealed in 2014, and the following local laws have been reviewed since 2015:
  - Parking Local Law– gazetted April 2015
  - Cemetery Local Law – gazetted December 2015
  - Signs, Hoardings and Bill Postings Local Law – converted into a Local Planning Policy in January 2016
  - Current Aquatic and Recreation Centres, General Provisions, Trading in Public Places, Reserves and Foreshores Local Laws being replaced by a Property Local Law
  - Health Local Law – requires Health Department approval prior to gazettal
  - Current Dog Local Law and Cat Control Local Law proposed to be consolidated into an Animals Local Law

The review of the remainder of those local laws which are due for review should be completed as soon as possible.

- The Town's Heritage inventory was last reviewed in 2007. The *Heritage of Western Australia Act 1990* requires municipal heritage inventories to be updated annually and reviewed every four years; a review should be undertaken as soon as possible.

## The Town's response

The Town notes that all actions are already underway. In addition, Elected Members now receive information on planning and development applications approved under delegated authority via an info bulletin, therefore resulting in less questions being received on these matters.

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
<b><i>Planning and Regulatory</i></b>				
Development applications (DA) process	14. Continue to improve the town's processes, procedures and documentation in respect to the DA process, to provide members of the public with high quality information and a high level of customer service.	December 2016	Development Services	Reviewed, documented, dedicated resource appointed to implement process improvement
Local Laws	15. Continue reviewing (and update or repeal, where required) local laws in line with the requirements of the <i>Local Government Act 1995</i> .	September 2016	Corporate Information	Animals Local Law to be considered at May OCM for public comment. Final adoption scheduled for August OCM
Heritage Inventory	16. Update and review the heritage inventory in line with requirements of the <i>Heritage of WA Act 1990</i> .	October 2016	Development Services	Draft review received. Consider launch for Port Hedland 120 <sup>th</sup> Birthday celebrations (Oct 2016)

### 3. Plan for the Future

#### Introduction

The 'Plan for the Future' (Integrated Planning and Reporting (IPR)) requirements for local governments in Western Australia came into effect on 1 July 2013. As a result, all local governments are required to have in place a Strategic Community Plan and Corporate Business Plan, which together, form the 'Plan for the Future'.

#### Policy and legislative framework

- *Local Government Act 1995*
- *Local Government (Administration) Regulations 1996*
- Integrated Planning and Reporting Advisory Standard (IPR Advisory Standard)
- Integrated Planning and Reporting Framework and Guidelines (IPR Guidelines)

#### Assessment of the Town's Plan for the Future framework

- The Town's Strategic Community Plan 2012-2022 was adopted by Council at its July 2012 meeting and the Corporate Business Plan in October 2012. As outlined in the IPR Advisory Standard, the Town undertook a two-yearly review of its Strategic Community Plan in 2014 with Council adopting, by absolute majority, the 2014-2024 Strategic Community Plan in October that year. As with the original plan, the current version meets all regulatory requirements as outlined in the Act and *Local Government (Administration) Regulations 1996*. Following the approval of the 2014-2024 Strategic Community Plan, Council also endorsed a revised Corporate Business Plan in November 2014.
- Of specific note for the Town, the Act states that a strategic community plan should undergo a full review every four years and by default, due to the "integrated" nature of IPR, a full corporate business plan review should also occur. In line with this requirement, the Town is undertaking the major review of its plans during 2016. With this in mind, the following section will outline the Town's strengths in regards to its current plan for the future framework (both its Strategic Community Plan and Corporate Business Plan) and areas for the Town to consider when undertaking the development of a revised Strategic Community Plan, and subsequent Corporate Business Plan.

#### Strengths identified as a result of the assessment process

##### Strategic Community Plan

- Strategic community planning in local government involves community engagement to determine local aspirations and needs and as such, engaging with the local community is a key component in developing/modifying a strategic community plan. Local governments are required to document the community engagement methods they use in developing the plan, as well as the number or percentage of community members that participated in the engagement. The IPR Advisory Standard states that community engagement should involve

at least 500 or 10% of residents (whichever is fewer), and be conducted by at least two mechanisms.

- The Town's Strategic Community Plan was developed with, and documents the outcomes of a good community engagement process which saw the Town engage with close to 1,300 community members through at least three mechanisms, including a stall at the Town's 'Spinifex Spree Carnival' and an annual community survey — exceeding the minimum requirements for community engagement as set by the IPR Advisory Standard. This is good practice.
- For the full review of the Strategic Community Plan, the Town advised it intends to use its new online engagement portal 'Your Say Port Hedland' as an additional tool in the engagement process. While the Town's previous activities in community engagement already exceed the minimum requirements for IPR, the Town is commended for seeking to further improve the way it engages with the local community to enhance public participation in the strategic planning process.
- During 2016, the Town is planning to amend its land use planning strategy, the 'Pilbara Port City Growth Plan', with the intent that the community engagement process run concurrently with that of the Strategic Community Plan, so that its planning documents accurately reflect the community's overall vision for the Town, in alignment, and integration with the 'Plan for the Future' objectives. This demonstrates good practice as outlined in the IPR Guidelines which identify that all plans and strategies of a local government should have an interdependent relationship. Further, the guidelines note that at its most advanced level, integrated planning sees community aspirations and council priorities (in the form of the strategic community and corporate business plans) integrated with all informing plans and strategies, including land use planning documents. The Town is encouraged to continue working towards achieving this, and commended for seeking to achieve better practice in integrated planning and reporting.

### Corporate Business Plan

- In accordance with regulations, a corporate business plan should set out the key priorities, projects and services of a local government in the context of available resources, and be underpinned by, and link to the strategic community plan and other supporting and informing strategies and plans. Overall, the Town's current Corporate Business Plan (2014-2018) meets regulatory requirements and the IPR Standards. Yet, it is noted that the earlier version of the plan (2012) demonstrated a number of examples of good practice which are not included in the most recent version — this will be addressed in the 'Areas for further development' section and should be considered by the Town when undertaking the development of its new plan.
- The reporting aspect of IPR is important as it provides assurance and a 'check' to the community and local government that the 'Plan for the Future' objectives are being met. The minimum requirement for reporting requires a local government to report an overview of its Plan for the Future in its annual report (s5.53 of the Act). Additional reporting is not a statutory requirement, but is recommended good practice.

- Demonstrating this, the Town provides bi-annual reports to Council (January-June and July-December periods) with the intent to “ensure Council and the community are aware of the organisation’s progress against the key initiatives and that required services, programs and activities are being delivered”. The reports include information on the Town’s achievements, and outline the status of Corporate Business Plan strategies and actions for the period. To continue achieving good IPR practice, and with the aim of continuous improvement, the Town may wish to further enhance these reporting systems once its new plan is developed. Additional information on this will be included in the following commentary.

### Areas for Further Development

- One of the main outcomes of IPR is to create a process of continuous improvement, whereby over time a local government’s IPR performance matures beyond basic standard towards intermediate and advanced as outlined in the IPR Advisory Standard. Whilst the Town’s current ‘Plan for the Future’ documents are of a relatively good standard and generally meet all legislative requirements, the Town is in a good position to improve its IPR practice as it undertakes the full review of its documents. The recently updated IPR Guidelines and Advisory Standard (both draft as of March 2016) provide advice as to how better practice can be achieved and should be read in conjunction with this report.

### Strategic Community Plan - capacity of current and future resources and demographic trends

- Legislation requires strategic community plans to have regard to, and be shaped by, a local government’s current and likely future resource capabilities and its demographics (Regulation 19C of the *Local Government (Administration) Regulations*). The Town’s current Strategic Community Plan technically meets these requirements but could be further improved. Currently, the plan includes summary information about the Town’s resources such as rates and operating revenue and while this is sufficient in respect to achieving the basic standard, the new plan should look to incorporate more detailed commentary around the Town’s resource position (both financial and other resources, such as assets and infrastructure and workforce), and what this means for progressing the community’s aspirations.
- Rather than a summary only, the new plan should include a more detailed resource profile and/or narrative, specifically indicating the consideration of resources on the plans development and delivery of objectives. For example, detail on the Town’s resources as identified in its informing strategies (i.e. workforce, asset management and long term financial plans) and the impact of external factors on achieving outcomes, such as potential funding sources and plans of other government agencies should be included.
- In respect to the regulatory requirements for demographic information, the Town’s current plan includes data on the population of Port Hedland, the number of overseas and Aboriginal residents, and a mention of the FIFO population. While this is acceptable, regulations identify that strategic community plans should consider and have reference to demographic *trends*. Therefore, in its new plan, the Town should aim to note any relevant demographic trends and the expected implications of these and where possible, the subsequent impact of these factors on resourcing and the plans delivery. For example, issues relevant to the Town include

changes in the mining sector and the trend of rapid population growth and/or decline, the relationship of this on the Town's revenue capacity, its service delivery levels and infrastructure requirements.

- Including more detail in respect to resources and demographics will see the Town's Strategic Community Plan priorities based on realistic resourcing considerations and allow for a more open conversation with the community on what is achievable and what is not — ensuring the plan remains an effective strategic planning document into the future.

#### Strategic Community Plan – progress against strategic performance indicators

- During the onsite visit, the Town advised that although its Strategic Community Plan includes success indicators, it doesn't specifically have a system in place to monitor and track its progress and achievements against these. In order for the community and Council to have an indication of how the plan is succeeding (or otherwise), reporting progress against these indicators is recommended.
- The upcoming full review of the Strategic Community Plan presents an ideal opportunity for the Town to provide an update to the community on the achievement of its strategic performance measures over the past four years, and thereby the progress it has made in achieving the community's overall vision. In addition to this, the Town should work towards developing a system to allow for more regular monitoring and reporting against its strategic performance indicators. For example:
  - The bi-annual performance reports to Council list the Town's strategic success indicators, but not specifically in the context of their achievement. To demonstrate the success of the Strategic Community Plan and subsequent Corporate Business Plan in achieving community outcomes, the Town should also consider reporting on its performance against success indicators in these reports.
  - In addition to simply providing an overview of the 'Plan for the Future' in its Annual Report, the Town should also consider using the Annual Report to outline its success in achieving outcomes, as articulated by the success indicators. While this is not a legislative requirement it would demonstrate better practice. For example, the Town's Annual Report could include information on the community's satisfaction level in respect to access to services (which is a success indicator of goals 1.1 and 1.2), how these satisfaction levels have improved as a result of strategies the Town has put into place, and how this contributes to achieving the Town's vision for building a unified and vibrant community.
- The Town should see the IPR Advisory Standard for further advice and information relating to strategic performance indicators.

#### Corporate Business Plan – full integration of activities and resourcing

- As the Town embarks on the full review of its IPR framework, it is well placed to improve its Corporate Business Plan so that it remains an effective and usable document. To achieve this, it is important to remember the Corporate Business Plan is intended to be a plan for the

activities of the *entire* organisation (services, operations and projects) rather than just Strategic Community Plan priorities. An effective plan should clearly outline and identify the method for delivering all activities of a local government, and the resources required to do so. Although the Town's current plan includes business as usual information and financial considerations, it could be further enhanced to achieve better practice.

- As with the Strategic Community Plan, resources refer to people (workforce), infrastructure and assets, and financial. Accordingly, when revising its plan, the Town is recommended to include more robust information on its services and operational activities and include, where possible, the resourcing implications for delivering these. In addition to the budgetary information already provided, the plan should incorporate workforce requirements (such as FTE and if possible, staff costs), asset implications/requirements and other external factors (such as potential funding sources) required for the effective delivery of the plan. Ultimately, the result will be a plan in which *all* activities, services and projects of the Town and *all* informing and resourcing plans are fully integrated, to drive activities and service delivery.
- While this represents an advanced standard of corporate business planning that most local governments have not yet achieved, in the interests of continuous improvement the Town is encouraged to work towards this over time. The IPR Guidelines and Advisory Standard provide updated information on how the Town can work towards achieving this. It is also noted that the Town's original plan (2012) incorporated some of these elements including a risk assessment and risk matrix; identification of potential funding stakeholders; information on interdependencies to other plans and a section on the Town's service delivery for business as usual activities — for this reason it should be referred to by the Town as it undertakes the upcoming review.

#### Corporate Business Plan – rolling annual review

- Regulation 19DA of the *Local Government (Administration) Regulations* states that corporate business plans are to be reviewed annually. During the onsite visit, the Town advised that it reviews its plan every year in conjunction with the development of the budget. While this may be the case, the Town last produced an updated Corporate Business Plan in 2014. With the goal to achieving better practice, the Town should develop an evolving and “rolling” plan at each annual review, i.e. one for the upcoming four-year period, which identifies the Town's current position in relation to the delivery of outcomes and one which is clearly linked to the most current annual budget.
- Producing a current, rolling and evolving Corporate Business Plan will ensure that elected members, staff and the community are provided with an up-to-date account of what the Town has achieved to date, in addition to clearly understanding what it is capable of delivering at said point in time. Given that the delivery of projects and programs may be affected by available finances, shifting priorities and/or other external and internal factors (e.g. changing State or Federal Government priorities and funding arrangements, economic conditions, staffing issues), it is important to ensure an up-to-date plan is produced at each review to

reflect these circumstances. For further advice on this, the Town should refer to the IPR Advisory Standard and Guidelines.

#### Strategic decision making

- To ensure that Councils make decisions of a strategic nature (rather than operational), it is important they understand the strategic implications of, and reasons for, their decisions. In order to guide elected members decision making in respect to the Town's 'Plan for the Future' framework, staff reports include strategic implications of each decision under the heading 'Statutory and Policy implications'. This is acceptable practice, but it is recommended the Town separate the strategic implications of decisions from other policy implications to ensure elected members specifically considers the Town's overall strategic objectives as a key part of its decision making process.

## The Town's response

When undertaking the review of the Strategic Community Plan, the Town will consider the content of demographic information included in its plan, specifically demographic trends and capturing the Town's aboriginal and overseas population.

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
<b>Plan for the Future</b>				
Strategic Community Plan review	17. Continue working towards the full review of the plan in line with legislative requirements and best practice recommendations as outlined in the Act, associated regulations, IPR Guidelines and IPR Advisory Standard.	March 2017	Corporate Information	Project plan for SCP review being prepared. Expected review from Oct 2016 – March 2017
Strategic Community Plan - strategic performance indicators	18. Establish a system/s to measure, and report on, the Town's performance, and progress, in respect to achieving its strategic objectives (and by extension, the community's priorities) as outlined by the Strategic Community Plan's success indicators.	September 2016	Corporate Information	Community survey to be undertaken based on SCP indicators
Corporate Business Plan review	19. Continue working towards the full review of the plan in line with legislative requirements and best practice recommendations as outlined in the Act, associated regulations, IPR Guidelines and IPR Advisory Standard.	March 2016	Corporate Information	Council endorsed updated CBP at March OCM. Full review to be conducted in line with SCP review
Corporate Business Plan – rolling annual review	20. When undertaking the next annual review of the plan, ensure the review results in the development of an evolving and rolling four-year plan, with the current financial year as the base year and one which is clearly linked to the current year's annual budget.	March 2017	Corporate Information	Council endorsed updated CBP at March OCM. Full review to be conducted in line with SCP review

Strategic decision making	21. To ensure elected members make decisions of a strategic nature and are aware of the strategic implications, and reasons for their decisions the Town should consider more clearly outlining these within reports to Council (e.g. separate these from other general statutory and policy implications).	June 2016	Corporate Information	New agenda item template to be implemented for June meeting
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## 4. Asset and Finance

### Introduction

Local governments deliver important community services. Effective financial management is crucial to the sustainable delivery of these services to meet community needs and aspirations. Further to this, fully costed asset management and long term financial planning is an essential component of integrated planning and reporting, and is required to support and inform a local government's strategic planning and corporate business planning processes.

### Legislative and policy framework

- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996*
- *Local Government (Administration) Regulations 1996*
- *Local Government (Functions and General) Regulations 1996*
- *Rates and Charges (Rebates and Deferments) Act 1992*
- Asset Management Framework and Guidelines
- Long Term Financial Planning Framework and Guidelines
- Model Long Term Financial Plan
- Integrated Planning and Reporting Advisory Standard

### Assessment of the Town's asset and financial management — background

- As prescribed in the *Local Government (Financial Management) Regulations 1996*, financial sustainability for local governments in WA is measured by four ratios; the Current Ratio, Debt Service Cover Ratio, Own Source Revenue Coverage Ratio and Operating Surplus Ratio. Asset management sustainability is measured by three ratios; the Asset Sustainability Ratio, Asset Consumption Ratio and Asset Renewal Funding Ratio. In analysing ratios, trends over time provide a more accurate assessment than a single year. Through its annual financial reports, the Town has reported the following ratios, compared with industry benchmarks:

Statutory Ratios	Benchmark	2014/15	2013/2014	2012/2013
Current Ratio	> 1.0	6.95	1.05	0.8
Debt Service Cover Ratio	> 2.0	4.25	6.91	5.77
Own Source Revenue Coverage Ratio	> 0.4	1.05	0.94	0.84
Operating Surplus Ratio	>0.01	0.118	.098	.031
Asset Sustainability Ratio	>0.9	0.99	1.07	2.44
Asset Consumption Ratio	> 0.5	0.72	0.84	N/A
Asset Renewal Funding Ratio	> 0.75	0.85	N/A	N/A

- As indicated in the table, the Town's financial and asset ratios were above benchmark for the 2014/15 financial year and also achieved benchmark, or greater, since 2012/13. Additionally, the town's asset management ratios have also achieved benchmark or above for the 2014/15 financial year. For this reason, the Town's financial and asset management performance as

indicated by its ratios is considered to be better practice and is included in the 'Areas of Better Practice' table below.

## Areas of Better Practice

As a result of the assessment process, the following examples represent better practice in respect to the Town's asset and financial management practices:

Area of Better Practice	Why the initiative is considered Better Practice
Ratio Performance	<p>As indicated by its statutory ratios as reported for 2014/15, the Town was in a strong financial position at the end of the financial year; with all seven ratios above the Department's recommended benchmarks for the year. An analysis of the Town's ratios indicates:</p> <ul style="list-style-type: none"> <li>• The Town has good liquidity, with its current ratio having improved in the past three years. Further, the current ratio was reported at 6.95 for the 2014/15 financial year which is well above the recommended benchmark.</li> <li>• The Town has good capacity to meet its debt repayments with the Own Source Revenue Coverage Ratio showing the Town is able to meet all of its operating expenses from own source revenue, meaning it is not overly reliant on external funding to meet these repayments.</li> <li>• The Town's Operating Surplus Ratio has improved in the last three years having increased from 0.031 (or 3.10%) in 2012/13 to 0.11 (or 11.75%) in 2014/15. This indicates the Town is operating in surplus and has increased capacity to fund capital projects from surplus.</li> </ul> <p>In respect to asset management, the Town reported all three asset ratios in 2014/15 thus meeting compliance requirements. Additionally, all three ratios were above benchmark, indicating good asset management practices. For example:</p> <ul style="list-style-type: none"> <li>• The Asset Consumption Ratio measures the extents to which depreciable assets have been consumed by comparing an assets written-down value to its replacement costs. Basic standard is met if this ratio is above 0.5 and standard is improving if ratio is between 0.6 and 0.75. The Town's ratio is reported at 0.72 and is at a healthy level.</li> <li>• The Asset Sustainability Ratio is an approximation of the extent to which assets managed by the Town are being replaced as they reach the end of their useful lives. Measuring assets at fair value is essential to the calculation of a valid depreciation expense value. The Town's ratio is at an improving level, (above 90%), indicating the Town is</li> </ul>

	<p>replacing/renewing its assets at a conformable rate as its overall asset stock wears out.</p> <ul style="list-style-type: none"> <li>• The Asset Renewal Funding Ratio measures the ability of the Town to fund its projected asset renewal/replacement into the future. To be able to report this ratio, the Town needs to compare planned asset renewal as indicated in its Long Term Financial Plan, with renewal required in its Asset Management Plan. The 2014/15 financial year was the first time the Town reported this ratio; with it being above benchmark at 0.85</li> </ul>
<p>Asset Management Framework and documents</p>	<p>The Town has an excellent Asset Management Framework and documents. This includes a highly informative Asset Management Strategy guided by the Council adopted Asset Management Policy.</p> <p><u>Asset Management Policy</u></p> <p>The Town adopted an Asset Management Policy in December 2012 as part of its Asset Management Framework documents which also include an Asset Management Strategy and Asset Management Plans for all major asset classes. The policy is the overarching document that provides a foundation for the development of the Town’s asset management strategy and plans. The policy states its key objective is to ensure there is an organisation-wide commitment to asset management and objectives of Council’s asset management strategy are archived.</p> <p>The policy document meets best practice elements by:</p> <ul style="list-style-type: none"> <li>• Establishing the roles and responsibilities of Town’s elected members, executive management team and Officers responsible for asset management functions.</li> <li>• Taking on an asset “whole of life” approach in the development of operational, maintenance, renewal and investment strategies for incorporation into the long-term financial plan.</li> <li>• Stating the key principal objectives of asset management including enabling the Town to meet its service delivery objectives, and ensuring its assets are managed in accordance with statutory requirements and best practice recommendations.</li> <li>• Listing key actions/commitments to achieve the policy’s objectives such as developing and maintaining operational plans for each asset class identifying the full life cycle costs of assets and service level requirements.</li> </ul> <p>Lastly, the policy is clearly linked with the Strategic Community Plan (SCP), demonstrates integration between the Asset Management Strategy and</p>

	<p>Long Term Financial Plan, and also provides definitions for key asset management terms.</p> <p><u>Asset Management Strategy</u></p> <p>The Town developed its Asset Management Strategy in 2012. The strategy covers key asset classes including Infrastructure, Buildings, Land, Plant and Equipment and Communication technology (ICT) assets. It is a highly informative document that is able to:</p> <ul style="list-style-type: none"> <li>• Set asset management objectives and outcomes that are consistent with the Town’s Asset Management Policy.</li> <li>• Define a route map for continued development and improvement of the Town’s asset management capacity and capability.</li> <li>• Establish the Town’s current asset management position, including its status, shortfalls, strategies to achieve objectives, and actions to implement.</li> </ul> <p>The strategy clearly defines the Town’s asset management practices by identifying the asset management tasks that need to be covered by the framework. Further, it clearly describes the asset management roles and responsibilities of the organisation and sets out the Town’s asset management governance structure, it also defines key performance indicators and calculates the Towns asset management ratios. The strategy also seeks to define levels of service and provide a better understanding of community needs by conducting community engagement to assess standards of service.</p> <p>Lastly, the strategy recognises the process of continuous improvement and sets out a program to achieve ‘advanced’ standard, for example, it includes a three-year asset management process improvement plan template to help track progress towards this standard.</p>
<p>Monthly Statements of Financial Activity</p>	<p><u>Monthly Statement of Financial Activity</u></p> <p>The Town’s monthly statements of financial activity meet statutory requirements and best practice recommendations by including comparisons between adopted annual budget; proposed budget for the period; year to date (YTD) proposed budget and YTD actual. This information is used to produce the YTD variance. This comparison is produced for the Rate Setting Statement and Net current position (surplus/deficit) calculation. In addition, the monthly statements also include additional, useful detail to inform Council such as:</p> <ul style="list-style-type: none"> <li>• A bank reconciliation for total cash and investments, summary of investment portfolio and month end balance.</li> </ul>

- Information on borrowings, movements on loan and interest repayments.
- Movements in reserve accounts
- A grants subsidies and contribution register.
- A statement of rating information.
- Sundry debtor's movement and list of outstanding debtors, and;
- A capital works program progress report.

#### Monthly Financial Health Check

In addition to the high quality monthly financial statements it produces, the Town has also introduced a more simplified model for presenting its key financial information; a monthly 'Financial Health Check'. Provided to Council alongside the Monthly Financial Statement, the Health Check provides a summary of key financial information in an easy to read, colourful, "graphic" format (i.e. the use of charts and tables). Illustrating the Town's monthly financial performance, the Health Check includes a year to date financial snapshot; a summary of the Town's ratio performance; lists some indicators of financial health; notes its "cash in the bank" and outlines debt levels, for example.

The Health Check document is an example of better practice as it presents complex financial information in a user friendly way, with the intention that this information is able to be clearly interpreted by members of the general public. Ensuring that the information is readily accessible by the community, the Town also provides the Health Check as a 'quick link' on its website homepage. The Town is commended for its efforts and innovation in developing its financial reporting mechanisms, and for its efforts to ensure transparency and accountability with the community in respect to its financial performance.

As a result of the assessment process a number of additional strengths were found:

- The Town's Long Term Financial Plan meets recommended practice by including all areas identified in the Department's 'Long Term Financial Planning Framework and Guidelines' and 'Model Long Term Financial Plan'.
- The Town has met all statutory reporting requirements for its 2015/16 Budget Review and no further follow up is required.

#### **Areas for Further Development**

As a result of the assessment process the following areas were identified for Further Development:

- While the Town reported all three Asset Ratios in 2014/15, it did not provide comparatives for the two previous years for the Asset Renewal Funding Ratio and Asset Consumption Ratio.

In future reports, the Town is expected to provide two year comparatives for all ratios and should set out to rectify this.

- The Town's audit management report for 2014/15 found some internal control weakness within the organisation and accordingly, provided recommendations to improve internal controls. The Town should ensure these recommendations are properly addressed and worked through to improve its internal controls.
- To ensure all relevant IPR documents, and other key financial documents, align and integrate with each other, the Town is reminded that updates to the Corporate Business Plan, Annual Budget and Long Term Financial Plan occur as a consequence of changes to the other; for example ensure that updates are triggered when changes occur to depreciation.

## The Town's response

In response to areas identified by DLGC, the Town will seek to undertake the following in its efforts to achieve better practice:

- Develop an action plan to support all audits
- Ensure all future annual reports include ratios
- Develop a schedule for the review of IPRF documents to ensure alignment and linkages

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
<b><i>Asset and Finance</i></b>				
Asset Management Ratios	22. In future annual reports, ensure two-year comparative data is provided for both the Asset Renewal Funding and Asset Consumption ratios.	October 2016	Financial Services	To be actioned as part of Annual Report
Audit Management Report – internal controls	23. In accordance with the 2014/15 Audit Management Report continue to address identified improvements to internal controls.	August 2016	Financial Services	Finalised in line with closing management letter

## 5. Workforce planning and Human Resources management

### Introduction

Workforce planning can be defined as a continuous process of shaping the workforce to ensure that it is capable of delivering organisational objectives now and in the future. Human resources management assists in providing a framework that aims to have the right people in the right place at the right time to facilitate the delivery of organisational goals.

### Legislative and policy framework

- *Local Government Act 1995*
- *Equal Opportunity Act 1984*
- *Occupational Safety and Health Act 1984*
- Workforce Planning Toolkit

### Strengths found as a result of the assessment process

As a result of the assessment process a number of strengths were found:

- In consultation with its employees, the Town has developed a set of core corporate values – Quality, Unity and Integrity – to reflect key staff principles, to support the Town’s overall strategic vision to create a nationally significant, friendly city that people are proud to call home and to shape and improve the workplace culture.
- The Town has demonstrated a commitment to improving its workplace culture by embedding its corporate values into policies and procedures across the organisation. For instance, the corporate values are incorporated in all position descriptions, as well as being a key component of the document ‘Our Value in Action’, which employees sign to display acknowledgement and understanding of the content. The values were sighted throughout the Town’s offices (including the library and administration office) and are highlighted as a strength throughout some of the practices and procedures detailed in this section of the report.
- The Town’s performance management process involves annual reviews of staff performances and explores opportunities for professional development. To complement this process, the Town has introduced Professional Development Plans (PDP) to assess performance and build staff capabilities. The Town recognises that performance reviews of indoor and outdoor staff require different approaches and as such has developed clear procedures and different PDP’s appropriate for both groups of employees. The Town’s Performance Management Internal Operating Procedure (IOP) and PDP templates and job aids outline the steps involved in the appraisal process, ensuring reviews are undertaken in a consistent and effective manner. A key component of the PDP involves assessing an employee’s performance in the areas of Quality, Unity and Integrity, which are the Town’s core corporate values. Using specific examples, supervisors completing the plan describe the employee’s performance in each area of the core values.

- In addition to incorporating the corporate values, the professional development and performance management process for indoor staff also accounts for performance against a range of Key Performance Indicators, professional development opportunities and identified training. An additional component to the Town's process for indoor staff is the inclusion of peer review. Two of the employee's peers are selected to complete a review form, consisting of a confidential questionnaire on the employee's performance. This is a creative strategy to build the capacity of the organisation and encourage interactions across the different departments of the organisation.
- Whilst this process is acknowledged as a strength, to achieve better practice, the Town should ensure that the professional development process aligns with the Town's Strategic Community Plan and Community Business Plan. Aligning the process with the Town's overall strategic direction will ensure that the positions are developed with an aim of achieving the objectives of the Town's Plan for the Future framework.
- Inductions of new employees are conducted through an online software system which allows staff to work through each of the electronic modules including acceptable computer usage, introduction to the Town of Port Hedland, Occupational Health and Safety, discrimination and equal employment opportunities, workplace bullying and corporate induction acknowledgment. Employees have four weeks to complete the modules, which are dated upon completion.
- Various staff from across the organisation meet monthly as part of the Staff Consultative Committee, ensuring all directorates are represented in the discussion of employment related matters. The meetings are a platform for the committee to come together to develop employee based initiatives that support the workplace culture and boost staff morale. Additionally the Town utilises the committee to liaise with staff to seek feedback and comments on revised IOP's and policies. The committee's role in providing a link between management and staff by encouraging staff involvement in the development and review of staff programs and policies is considered good practice.
- Working to support a productive workforce and encouraging a positive workplace culture, the Staff Consultative Committee introduced an Employee Reward and Recognition program. Part of the program includes excellence awards for either individuals or teams who have demonstrated excellence within the Town's corporate values. As these values support the Town's overall strategic direction and vision, encouraging staff to achieve behaviours to support this is a positive and commendable strategy.
- Additionally, an employee wellness program has been implemented as a means of promoting a workplace culture that supports and encourages healthy lifestyles, through initiatives such as running smoking cessation courses; supplying 'healthy' vending machines, 50% discount for gym memberships, free pool passes and more. This displays the Town's understanding of the positive impact a healthy workplace has on the overall culture of the organisation. The Town's commitment to supporting the health and wellbeing of its workforce was acknowledged with a gold recognition as part of a Heart Foundation lead initiative 'Healthier Workplaces WA'.

- The Town's 'Engaging in Secondary Employment' IOP sets out the principles of, and the requirements for approval of a Town employee to engage in secondary employment. The employee is required to submit a *Secondary Employment Approval Form* to the CEO as a means of mitigating any adverse effects and/or actual or perceived conflict of interest associated with secondary employment.
- A range of comprehensive IOP's have been developed to guide the Town on the handling of inappropriate behaviour through the grievance resolution process and, where necessary, through disciplinary procedures. The Equal Employment Opportunity, Bullying, Harassment and Grievance Handling IOP highlights the importance of equal opportunity for staff and providing a workplace free of bullying and harassment. Where inappropriate behaviour takes place the IOP outlines the various grievance resolution procedures and the steps to be taken to resolve the issue.
- Supporting the grievance handling process, is the Town's documented disciplinary procedure. The Discipline IOP outlines the expectations and responsibilities of management and staff in the disciplinary procedure, ensuring clear and consistent steps are taken. The two IOP's are linked to ensure that there is consistency in undertaking grievance resolution or disciplinary action procedures.

### Areas for Further Development

As a result of the assessment process the following areas were identified for Further Development:

- The transient nature of Port Hedland's population has had an impact on the Town's ability to attract and retain suitable applicants for positions, particularly those positions that require specific skills. Compounding this issue is the Town's direct competition with the mining and resource sector for applicants. Due to the decline in the mining and resource sector, attracting applicants to the Town who have had access to the wages and conditions of that sector is an additional challenge the Town faces.
- The Town has tried to address the issue of attraction and retention of its employees through strategies identified in its revised draft Workforce Plan. However recruitment, particularly of skilled positions, is still a key issue which the Town cited as being one of the main areas requiring improvement. The Town aims to undertake recruitment in a timely, consistent and merit-based manner and is documenting this process in its revised Recruitment, Selection and Appointment IOP. At the time of the review, the Workforce Plan and the Recruitment IOP were both in draft format and so the Town is encouraged to continue progressing and finalising both documents.
- The draft Workforce Plan indicates that the staff turnover rate is 36%, which presents the Town with the risk of potential loss of corporate knowledge. As stated, the Town has introduced employee programs to assist in retaining staff and the Workforce Plan indicates that strategies are being developed to address this issue. To ensure corporate knowledge is retained it is imperative for the Town to ensure its key policies and procedures are current and reviewed within appropriate timeframes.

- The Town has further displayed a commitment to addressing retention of staff issues by supporting a skilled, knowledgeable and dedicated workforce through the development and of an annual corporate training plan. At the time of the review, the Town advised that the plan was awaiting Executive approval, however the draft plan provides an insight into the Town's approach to staff development and up-skilling. The corporate training plan is linked to the Town's performance management process, to determine what training is required to add value to the organisation and benefit its staff. The plan references that it aims to support the organisation in achieving the key priorities outlined in the Town's Corporate Business Plan, Strategic Community Plan and the Workforce Plan; displaying strong links to achieving goals from the Town's Plan for the Future documentation. Although at the time of the review these plans were either due for revision or in draft format, identifying that staff training can assist in achieving the Town's overall strategic vision is commendable.
- The draft Workforce Plan also identifies other challenges the Town needs to address and the corresponding actions over the period of 2015/16 to 2017/18. Once the Workforce Plan has been finalised, it is essential that the Town ensures the actions it includes accurately reflect what the Town will undertake, and also align and integrate it with other Plan for the Future documents which are currently being reviewed, including the Strategic Community Plan and the Corporate Business Plan.
- In early 2014, the Town arranged for Local Government Insurance Services (LGIS) to conduct an employee survey as a means of gauging employees' perception of the workplace and satisfaction levels. The draft Workforce Plan states that the Town will undertake an employee engagement survey every 18-24 months, which is something the Town indicated it is working towards and encouraged to continue. Additionally, the Town should also ensure that future revisions of the Workforce Plan continue to include information and results from employee surveys.
- The Town indicated that it had experienced safety issues in the past, some of which were highlighted in a recent audit and the Town's Risk Management Improvement Plan. The Town has been implementing strategies to address these issues, including the recruitment of two Occupational Safety and Health (OSH) officers. It was reported that the Depot staff have been receptive to OSH changes and improvements made, however OSH has not been a priority for 'inside staff'. As the depot staff have made changes, it was noted that there is now a lot of information and in some instances duplication of OSH procedures on the Town's intranet which the Town indicated needed to be consolidated. The Town is encouraged to continue working on addressing the abovementioned OSH issues, along with other identified OSH improvements as part of the OSH officer's role.

## The Town's response

In addition to the recommendations/observations made by DLGC, the Town also seeks to consider/undertake the following:

- Whilst key documents are in place, an opportunity exists to better embed these into the organisation
- The Town could better consider the culture of how people are welcomed/retained, especially in first three months of employment
- Roll out next staff satisfaction survey

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
<b>Workforce and HR Management</b>				
Internal Operating Procedures and policies	24. Continue to develop and finalise the Internal Operating Procedure for Recruitment, Selection and Appointment of staff.	June 2016	People and Culture	IOPs under development
	25. Ensure key workforce and human resource policies and procedures are current and reviewed within the scheduled timeframes.	Ongoing	People and Culture	Reviewed on ongoing basis
Workforce Plan	26. Continue working towards finalising the Workforce Plan and ensure that the final plan aligns and integrates with the Town's other Plan for the Future documents, i.e. Strategic Community Plan and Corporate Business Plan	December 2016	People and Culture	Review pending organisation realignment
Employee Survey	27. As per the draft Workforce Plan, the Town should aim to undertake an employee engagement survey every 18-24 months.	October 2016	People and Culture	Initial health check survey conducted May 2016, full survey to be conducted in October 2016.

Occupational Health and Safety	28. Consolidate all the information relating to OSH and ensure that it is easily accessible to all staff.	July 2016	Workplace Health and Safety	Initial information uploaded to intranet. Intensive staff training undertaken May 2016
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## 6. Community and Consultation

### Introduction

Delivering appropriate services to the community is one of the fundamental roles of local government. Effective community engagement and consultation allows local governments to interact with the local community to better understand community needs and expectations, assisting in the delivery of services. Consultation and engagement better positions local governments to develop appropriate policies and procedures that will best serve the local community now and into the future.

### Legislative and policy framework

- *Disability Services Act 1993*
- International Association for Public Participation (IAP2) spectrum
- Western Australian Charter of Multiculturalism

### Areas of Better Practice

An assessment of the Town's community and consultation activities were considered during the review and the following areas identified as demonstrating Better Practice.

Area of Better Practice	Why the initiative is considered Better Practice
Community Engagement and Consultation – online portal	<p>Overall, community engagement and consultation is an area that the Town places a strong emphasis on. Guiding the Town's approach is its Community Engagement Strategy outlining the consistent and inclusive manner in which the Town will engage and consult with the community. The strategy differentiates between consultation and engagement and incorporates the IAP2 spectrum and core values, a recognised standard for good practice when conducting community engagement. The strategy also highlights a progressive approach to utilising electronic engagement methods, which the Town demonstrates with the use of its Facebook Page which is updated frequently and its new online engagement tool.</p> <p>The online engagement tool 'Your Say' Port Hedland was launched in late November 2015 to improve the Town's engagement, interaction and communication with its community. The online method is an innovative way to undertake engagement with an already active online community, as it allows for discussions of projects, provides information on initiatives as well as engagement events, such as the Town's Community Conversations forums. Since November, the Town has utilised 'Your Say' as an engagement tool for a number of key initiatives so that community members have a one-stop-shop to access information on past and current consultations.</p> <p>After Marapikurrinya Park suffered extensive vandalism the community were reported as being quick to offer assistance in the rebuild of the</p>

	<p>playground. The Town took this opportunity to engage with the community via the online tool 'Your Say' on how to rebuild the playground. The online platform provided the community with a survey to complete, relevant information on the different concept plans for consideration and FAQ's about the project. In addition to online engagement, the Town also held a pop up consultation day at the local shopping centre for further input on the rebuild. The Town undertook these varied engagement and consultation methods to encourage community ownership of the Park and highlights the Town's commitment to seeking community input and feedback on projects.</p>
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As a result of the assessment process a number of additional strengths were found:

- A range of other online mechanisms to communicate, update and engage with the local community is employed by the Town. The community is kept well informed on initiative updates through the Town's Facebook Page, media releases posted on its website, a weekly "Hedland Highlights" published in the North West Telegraph online and an online calendar to promote events. Some of these mechanisms are also produced in hard copy and are located at various facilities, such as the libraries and visitors centres to access. The online platforms, combined with hard copy brochures assist in encouraging community participation.
- The online community engagement platforms are further supported by forums or 'Community Conversations' the Town coordinates as a means of meeting and consulting with community members on specific topics. The face-to-face interaction, physical brochures and the online platforms display the Town's collaborative and well-rounded approach to engaging and consulting with the local community.
- Through a number of its facilities, the Town supports community development and cultural activities targeting a variety of demographics. Some examples of the activities include development of the skate park, coordination of live performances at Matt Dann Theatre, implementation of youth focus programs at the JD Hardie Youth Zone and story-time and Lego club for both preschool and primary school aged children at the Town's Library.
- The Town recognises the efforts of both individuals and groups within the local community through its annual community awards program. The community awards promote a positive image of local community members and groups making a difference in Port Hedland, which assists in building a sense of community.
- According to the Town's Strategic Community Plan, 15% of Port Hedland's district population are of Aboriginal or Torres Strait Islander descent, which is relatively high in comparison to the majority of local governments in the State. The Town has been active in supporting and engaging with the Aboriginal and Torres Strait Islander community to address cultural specific issues through quarterly Aboriginal Consultation Forums involving local Aboriginal Communities and other agencies. Other initiatives have included the employment of an Aboriginal Liaison Officer (the position was vacant at the time of the review), working with Roy

Hill and traditional land owners to develop an arts/cultural facility and acknowledgement to country at council meetings and in other key documents such as the Community Engagement Strategy.

- Having a forum to discuss Aboriginal related issues, a liaison officer to engage with and an engagement strategy accounting for respect and inclusiveness, have established good building blocks for the development of the Town's draft Reconciliation Action Plan (RAP). The RAP outlines key actions the Town will undertake to better support the local Aboriginal and Torres Strait Islander community. The liaison officer was cited as being an integral role in engaging and consulting with the Aboriginal community for the development of the RAP, which has been signed off by Reconciliation Australia. At the time of the review the RAP was progressing through internal approvals and once approved, the Town intends to launch the RAP on both the Town's and Reconciliation Australia's website.
- In line with the changes to the *Disability Act 1993*, the Town amended its Disability Access and Inclusion Plan (DAIP) to include Outcome 7 stating "people with disability have the same opportunities as other people to be employed by the Town of Port Hedland". The Town demonstrates support for improving employment opportunities for people with a disability through the inclusion of the DAIP outcome 7 in its draft recruitment, selection and appointment IOP. In addition to this, the recruitment procedure also gives consideration to access and adjustment requirements necessary for candidates, further displaying the Town's obligation to supporting equal employment opportunities and increasing the diversity of its workforce.
- Partnering with Tourism WA to facilitate and promote cruise ships in Port Hedland and contracting the management of the visitors centre and Courthouse Galley are a few examples of initiatives the Town has undertaken to support its Strategic Community Plan strategy to develop Port Hedland's tourism industry. To further support local tourism the Town activated a Tourism Action Group consisting of the Mayor as chair, community members and businesses. Since its inception in December 2015, the group has met to discuss and work together on tourism focused initiatives.
- The Town recognises that tourism is a key driver to supporting local economic diversity and accordingly, has supported and facilitated this through a number of economic development programs and activities. Some of the key initiatives that have taken place include partnering with key organisations to hold the North West festival, which brings both tourism and economic benefits to the Town. In addition to this the Town initiated, coordinated and facilitated the 2015 North West Economic Summit, which saw local, national and international speakers present on their experiences in economic development. Planned economic development initiatives to take place that may also contribute to tourism include the development of the Port Hedland's waterfront marina and sponsorship of future North West Economic Summits. Both past and future economic activities indicate the Town is committed to providing and supporting tourism and economic development.

## Areas for Further Development

As a result of the assessment process the following areas were identified for further development:

- Although the Town displays strengths in facilitating and supporting local tourism and economic development initiatives, it is still working towards developing both a tourism strategy and an economic development plan. The Town is encouraged to continue formalising and documenting its approach to supporting the local economy and tourism industry, ensuring that the plans and/or strategies align with Town's overall strategic approach and vision.
- The Town's website has a vast array of information on community safety and development initiatives, however some of the community safety initiatives, such as the Community Safety Working Group and Safety Plans, appear to be out of date or dated. Although the Town utilises social media platforms to keep the community abreast of the current initiatives, in order to support this the Town is encouraged to review the community safety and development content on its website ensuring it is kept up to date, relevant and accurate.

## The Town's response

The Town will continue to develop a Tourism Strategy/Plan and an economic development plan.

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
<b>Community and Consultation</b>				
Tourism	29. Continue working towards developing a Tourism Strategy/Plan to assist in supporting the local tourism industry.	December 2016	Economic Development	Structure of tourism action group being reviewed with outcomes to influence tourism plan
Economic Development	30. Continue working towards developing an economic development plan to support the local economy.	December 2016	Economic Development	Plan being drafted to capture existing Town of Port Hedland projects plus PDC initiatives identified in Regional Blueprint
Website content	31. Review the community safety and development information on the Town's website, ensuring that current initiatives are promoted through this and other online platforms.	July 2016	Corporate Information/ Environmental Health	Significant website review underway with initial content to be updated by July 2016

## APPENDIX 1: BETTER PRACTICE REVIEW CHECKLIST ASSESSMENT

### Table key

Better practice, satisfactory practice and areas requiring further development are defined below:

<b>✓✓</b> <b>Better Practice</b>	<ul style="list-style-type: none"> <li>• Achieves a strong performance or above minimum compliance requirements, obligations and published guidelines etc.</li> <li>• Contributes to continuous improvement within the local government sector</li> <li>• Innovative and/or effective.</li> </ul>
<b>✓</b> <b>Satisfactory practice</b>	<ul style="list-style-type: none"> <li>• Complies with the <i>Local Government Act 1995</i> and other legislation.</li> <li>• Policies, practices and/or procedures appear to be consistent with local government sector practice.</li> </ul>
<b>*</b> <b>Areas for Further Development</b>	<ul style="list-style-type: none"> <li>• Further Development has been identified or is progressing in order to improve or enhance local government operations and/or;</li> <li>• Does not satisfactorily meet minimum legislative compliance requirements, legislative obligations, industry standards, policies and published guidelines.</li> </ul>
<b>n/a</b> <b>Not applicable</b>	<ul style="list-style-type: none"> <li>• In some instances the local government may have indicated in its self-assessment checklist this is not an area applicable to its operations.</li> <li>• Or, the review team has not had an opportunity to examine a particular area in sufficient detail for an overall assessment to be confidently made.</li> </ul>

Module 1: Governance	Assessment of the Town's performance
Values and ethics	✓✓
Code of conduct	✓
Gifts and benefits	✓
Communication devices	✓
Delegations	✓
Procurement and Tendering	*
Business Ethics Statement	✓✓
Review of local government systems	✓
Organisational risk management	✓
Business continuity	✓
Fraud control	✓
Internal audit	*
Legislative compliance	*
External audit process	*
Audit in local government	✓

Compliance Audit Return	✓
Records management	✓
Access to information by the public	✓
Executive management meetings	✓
Policy manual	*
Local government meetings	*
Elected member induction and ongoing training	✓
Expenses and allowances policy	✓
Elected member and staff interaction	*
Access to information by elected members	*
Customer service and requests	✓
Complaints handling	✓
Public interest disclosure	✓
Awards	✓
Strategic alliances	✓
Information technology	✓
<b>Module 2: Planning and Regulatory</b>	<b>Assessment of the Town's performance</b>
Land use planning	✓
Development Applications process	✓
Heritage	*
Regulatory Services	✓
Caravan parks and camping grounds	n/a
Environmental Management	✓
Local Laws	✓*
Emergency Management	✓✓
<b>Module 3: Plan for the Future</b>	<b>Assessment of the Town's performance</b>
Strategic Community Plan	✓
Corporate Business Plan	✓
<b>Module 4: Asset and Finance</b>	<b>Assessment of the Town's performance</b>
Asset management	✓✓
Long Term Financial Plan	✓
Land assets	✓
Financial management	✓
Valuations	✓

Rates and charges	✓
Payments of accounts	✓
Disposal	✓
Investment	✓
<b>Module 5: Workforce and Human Resources</b>	<b>Assessment of the Town's performance</b>
Workforce Planning	*
HR policies and procedures	✓*
Employee surveys	*
Performance reviews	✓✓
Recruitment and selection	✓*
Job descriptions	✓
Equal Employment Opportunity	✓
Staff development – induction	✓
Staff development – training	✓
Grievance management	✓
Occupational safety and health	*
Exit of staff	✓
<b>Module 6: Community and Consultation</b>	<b>Assessment of the Town's performance</b>
Community engagement	✓✓
Community development	✓*
Volunteer Services	n/a
Ageing population	n/a
Disability access and inclusion	✓
Arts and Cultural planning	✓
Multicultural interests	n/a
Tourism	✓*
Economic development	✓*
Voter turnout	✓