# Town of Port Hedland

**FORWARD IMPROVEMENT PLAN - CONFIDENTIAL**
21 MARCH 2026

# Contents

# FORWARD IMPROVEMENT PLAN

**EXECUTIVE SUMMARY**

Elevate Management and Workplace Solutions (EMWS) was engaged by the Town of Port Hedland (Town) to prepare a Forward Improvement Plan (FIP) in response to the Organisational Health Check (Health Check) undertaken by Moore Australia (WA) Pty Ltd (Moore).

The scope of work involved reviewing the Moore Health Check report and preparing the FIP in the format requested by the Town. The Health Check findings and recommendations have been used as the sole basis for the development of this Plan.

The FIP translates those findings into a structured, prioritised and accountable program of work, with clearly defined actions, responsibilities, timeframes and governance oversight. Each action is directly aligned to the relevant Health Check recommendation to ensure consistency, traceability, and practical implementation.

## 1. PURPOSE

This FIP has been developed in response to the Town's Health Check undertaken by Moore and gives effect to the Council resolution of 19 March 2026, whereby Council:

- noted the Health Check Report and associated Chief Executive Officer (CEO) Remediation Roadmap
- supported the development of a remediation roadmap in consultation with the incoming CEO and Executive Leadership Team (ELT)
- authorised the development of a structured program of work to address the findings

The FIP establishes the implementation framework through which the Health Check findings will be addressed, including defined actions, responsibilities, timeframes, and governance oversight.

It is designed to support the CEO and Council to address identified control weaknesses, strengthen governance and operational frameworks, and deliver sustainable organisational improvement, supported by structured monitoring, reporting, and assurance through the CEO, ELT, Audit, Risk and Improvement Committee (ARIC), and Council.

## 2. BACKGROUND

In December 2025, the Temporary CEO recommended that Council engage an independent consultant to undertake an organisational review to assess operational effectiveness, governance, compliance, and organisational culture, and to inform future improvement priorities.

Moore was subsequently engaged to undertake a Health Check of the Town. The review was not a detailed audit or investigation, but a high-level assessment of governance arrangements, systems, processes, and organisational capability.

The Health Check identified a number of consistent themes across the organisation. While not investigative in nature, the recurrence and consistency of the issues indicate that they are systemic rather than isolated control weaknesses.

Across the eleven (11) findings areas, common issues include unclear accountability, incomplete or inconsistently applied frameworks, fragmented planning, limited assurance processes, gaps in management information, and control weaknesses in high-risk functions. Collectively, these increase the risk of non-compliance, weaken decision-making, reduce service delivery efficiency and limit organisational resilience.

While the Health Check does not make findings of misconduct or legislative breach, it identified a number of matters indicative of possible non-compliance with various Council policies, weaknesses in the application of internal controls together with possible weaknesses in the leadership and organisational structure itself. The nature and recurrence of these issues indicate that further targeted review and possibly investigation may be warranted to determine the extent of the issues and to ensure appropriate governance and accountability responses.

This FIP adopts a coordinated, organisation-wide approach to addressing these matters. It is designed to stabilise critical risks in the short term, strengthen governance frameworks and control environments in the medium term, and embed sustainable capability, discipline and assurance maturity over time.

## 3. LEGISLATIVE COMPLIANCE CONTEXT

The FIP operates within the legislative and governance framework applicable to Western Australian local government. Key legislation and instruments include:

- Local Government Act 1995 (WA)
- Local Government (Financial Management) Regulations 1996 (WA)
- Local Government (Administration) Regulations 1996 (WA)
- State Records Act 2000 (WA) and State Records Commission standards
- Freedom of Information Act 1992 (WA)
- Work Health and Safety Act 2020 (WA)
- Superannuation Guarantee (Administration) Act 1992
- Privacy and Information Security Obligations, including applicable recordkeeping and information governance requirements

Implementation of the FIP should also align with adopted local laws, Council policies, delegations, committee terms of reference, codes of conduct, strategic and corporate plans, long-term financial plans, asset management plans and other governance instruments.

The FIP does not replace these obligations. Rather, it provides the structured implementation framework through which compliance, control maturity and organisational capability are strengthened in a coordinated and reportable manner.

## 4. STRATEGIC ISSUES BY FINDINGS THEME

The Health Check identified areas requiring improvement. While each is distinct, they are interconnected and reflect broader organisational themes.

Across governance and organisational structure, there is a need for clearer accountability, stronger separation of roles and more consistent application of governance frameworks. This includes improving executive accountability, conflict of interest management and organisational culture.

In financial management and planning, the key issue is strengthening financial discipline and integrating long-term financial planning with asset and workforce strategies to support sustainable decision-making.

Payroll and human resources findings highlight the importance of reliable, well-controlled processes supported by clear procedures, accurate system configuration and consistent application of employment and entitlement rules.

Procurement, contract management and delegations require stronger controls, clearer documentation and improved oversight to ensure compliance, transparency and value for money.

Enterprise Resource Planning (ERP) implementation, information security and records management findings point to the need for improved system governance, data integrity, access control and compliance with recordkeeping and privacy obligations.

Asset management requires better integration of planning, data and financial forecasting to support evidence-based decision-making and long-term sustainability.

Risk management and internal audit require further maturity to provide clear visibility of risks, effective assurance and meaningful reporting to management, ARIC and Council.

Finally, community engagement and customer service require clearer frameworks, service standards and performance reporting to strengthen accountability and community confidence.

Taken together, these findings highlight the need for a coordinated, organisation-wide uplift in governance, control maturity, capability, and assurance. The FIP provides the structured program through which this uplift will be delivered.

## 5. ALIGNMENT TO FORWARD IMPROVEMENT PLAN (RESPONSE TO FINDINGS)

The themes are interconnected and reflect broader organisational control and capability challenges. The FIP translates these themes in the Health Check report into specific, accountable actions, providing a clear line of sight between each strategic issue and the corresponding improvement program.

**Note:** Each finding was assigned a risk rating by Moore Australia (WA) Pty Ltd using the Organisation's Risk Matrix, with those ratings agreed with Management. These are referenced in the FIP at item 7.

## FINDING 1. (F1) – GOVERNANCE AND ORGANISATIONAL STRUCTURE

Finding 1, together with the observations of the Temporary CEO, highlights the need to strengthen the effectiveness, cohesion, and alignment of the ELT.

The Health Check identified weaknesses in governance clarity, accountability, conflict of interest management, and organisational oversight, increasing the risk of inconsistent decision-making, control bypass and reduced confidence in governance processes.

Consistent with these findings, the Temporary CEO also identified the need to rebuild a cohesive, high-performing ELT and establish a "one organisation" approach, supported by clear expectations, behaviours, and leadership alignment.

**Key issues**

- Elected Member relationships and effectiveness of collective decision-making
- ELT / Elected Member alignment, communication, and trust
- Stability, capability, and cohesion of the ELT
- Lack of a settled, high-performing executive structure
- Limited genuine Elected Member involvement in strategy, policy development, and review
- Weak accountability frameworks, including KPI setting and performance management
- Inconsistent application of delegations and decision-making pathways
- Organisational culture, psychosocial safety, and confidence in leadership
- Lack of a unified "one team" leadership model across the ELT
- Absence of a formal ELT Team Charter defining behaviours, expectations and decision-making protocols

**Forward Improvement Plan Alignment**

**Actions:** strengthen governance architecture, executive accountability, and leadership alignment, including:

- Establishment of a formal CEO and Executive KPI and performance framework aligned to Council priorities and the Forward Improvement Plan (F1.1)

- Development and implementation of an ELT Team Charter, including defined roles, behaviours, decision-making protocols, and accountability expectations (F1.1)
- Engagement of a suitably experienced governance lead to strengthen organisational governance frameworks, policy oversight and implementation (F1.1)
- Strengthened conflict of interest governance, including disclosure requirements, registers, and independent oversight (F1.2)
- Reinforcement of delegations and decision-making controls, including reducing reliance on CEO memoranda and bypass mechanisms (F1.3)
- Implementation of organisational culture, complaint handling, and psychosocial safety reforms (F1.4)
- Review of organisational structure to strengthen the separation of duties, accountability and functional alignment (F1.5)

## FINDING 2. (F2) – FINANCIAL MANAGEMENT AND LONG-TERM FINANCIAL PLANNING

The findings highlight the need for stronger financial discipline, improved reporting, and better integration between financial planning, assets, and the workforce.

**Key issues**

- Lack of alignment between Long Term Financial Plan (LTFM), Asset Management, and Workforce Planning
- Incomplete or outdated financial (Standard Operating Procedures (SOP) and Internal Operation Procedures (IOP) impacting control consistency
- Weak financial governance and monitoring of compliance with delegations
- Cross-functional dependency risks (HR, payroll, contracts, finance)
- Limited assurance over financial sustainability assumptions

**Forward Improvement Plan Alignment**

**Actions** - strengthen financial governance and sustainability, including:

- Urgent review, update, approval, and implementation of key financial SOPs and IOPs across payroll, accounts payable, delegations, and contract payment processes (F2.6)
- Finalisation and adoption of a revised LTFP aligned to approved Strategic Asset Management and Workforce Plans (F2.7)
- Strengthening of HR-payroll interfaces, including notification requirements and payroll capability continuity (F2.8)
- Reinforcement of compliance with financial delegations and approval limits, including goods and services receipt controls before payment (F2.9)

- Establishment of clear criteria for contract registration and stronger alignment between contract records, invoice processing, and procurement controls (F2.10)
- Strengthening of procedures, training, and monitoring during system transition and hyper-care periods (F2.11)

## FINDING 3. (F3) – PAYROLL MANAGEMENT

Payroll is a high-risk function with exposure to financial loss, compliance breaches and employee relations issues where controls and system integrity are weak.

### Key issues

- Payroll system instability and control failures (superannuation, leave, terminations)
- Weak joiner, mover, leaver processes and HR–payroll interface
- Inadequate payroll governance, documentation and audit trail integrity
- High exposure to overpayments, backpay errors and compliance breaches
- Lack of structured payroll remediation and assurance oversight

### Forward Improvement Plan Alignment

**Actions** - establish payroll as a control-critical function, including:

- Establishment of a payroll remediation plan with clear ownership, milestones, reporting, exception reporting and monthly management sign-off over key payroll reconciliations and anomalies (F3.12)
- Stronger joiner, mover and leaver controls, including formal HR-to-payroll service standards, workflow requirements and mandatory documentation before financially impactful changes are processed (F3.13)
- Improved segregation of duties and payroll system access management, including audit logging and independent review of high-risk payroll master data changes (F3.14)
- Finalisation, approval and publication of payroll SOPs and IOPs, supported by refresher training for payroll, HR and approving managers (F3.15)
- Targeted internal audit and assurance over payroll processing, reconciliations, leave integrity, terminations, overpayment recovery and higher-risk entitlement categories (F3.16)
- Tighter governance over retrospective and discretionary payments, including clear criteria, approval pathways, supporting evidence and periodic Executive reporting (F3.17)

## FINDING 4. (F4) – PROCUREMENT

The procurement findings indicate elevated risk relating to non-compliance, poor documentation, and weak contract management.

**Key issues**

- Weak procurement governance framework, including outdated policies and incomplete procedures
- Inadequate procurement planning, documentation, and oversight
- Excessive contract variations and reliance on exemptions
- Risk of contract splitting and non-compliant procurement practices
- Lack of central oversight of panels, Common Use Agreements (CUA), and Western Australian Local Government Associations (WALGA) preferred supplier arrangements
- Conflict of interest management weaknesses and limited probity controls
- Decentralised Information and Communications Technology (ICT) procurement and credit card governance
- Potential procurement irregularities requiring investigation

**Forward Improvement Plan Alignment**

**Actions** - establish a governed procurement lifecycle, including:

- Urgent review and approval of procurement-related policies and procedures, including anti-avoidance and probity guidance (F4.18)
- Mandatory procurement planning and stronger procurement approval documentation for significant and high-risk procurements (F4.19)
- Stronger controls over contract variations, exemptions, extensions, and return-to-market requirements (F4.20)
- Reinforcement of procurement and financial delegation compliance, including purchase order approvals (F4.21)
- Improved central recording, monitoring, and reporting of panel, CUA, and WALGA procurements (F4.22)
- Formal conflict-of-interest declarations and a central procurement conflict-of-interest register (F4.23)
- Stronger controls over credit card usage, decentralised ICT procurement and software acquisitions (F4.24)
- Formal investigation of identified procurement irregularities and allegations (F4.25)

## FINDING 5. (F5) – ENTERPRISE RESOURCING PROJECT SYSTEM IMPLEMENTATION AND INFORMATION SECURITY

System weaknesses present risks to data integrity, financial accuracy, privacy, and operational continuity.

**Key issues**

- TechnologyOne cost escalation and project governance

- Poor contract management, financial control, and reconciliation of Enterprise Resourcing Project (ERP) expenditure
- Misalignment between business processes and system configuration
- Incomplete rollout and lack of operational readiness across modules
- Significant information security, privacy, and access control failures
- Data integrity, recordkeeping, and reporting limitations
- Lack of effective transition to business-as-usual and training

**Forward Improvement Plan Alignment**

**Actions** - stabilisation and governance of core systems, including:

- Commissioning an independent end-to-end ERP assurance review (F5.26)
- Reconciliation of TechOne contract value, variations, payments, and delivered services, with tighter contract and financial controls (F5.27)
- Immediate remediation of information security and privacy weaknesses (F5.28)
- Stronger data integrity, purchase order controls, recordkeeping, and audit trails (F5.29)
- Prioritised stabilisation of payroll, records, asset, and regulatory modules, with restricted use until configuration, testing, and training are complete (F5.30)
- Establishment of formal ERP governance, refresher training, and business-as-usual handover arrangements (F5.31)

## FINDING 6. (F6) – ASSET MANAGEMENT

Weak asset data, planning, and integration with financial forecasting reduce the organisation's ability to manage long-term infrastructure sustainably.

**Key issues**

- Data integrity and maturity issues across asset classes
- Lack of a fully developed and embedded Asset Management Framework
- Weak alignment between asset management, finance, and long-term planning
- Limited engagement with the Council on major infrastructure priorities
- Inadequate business cases and project evaluation processes
- Scope and cost variation risks in major infrastructure projects
- Absence of a reliable, Council-endorsed Asset Management Plan linked to LTFP and Corporate Business Plan
- Capability and accountability gaps in asset management functions

**Forward Improvement Plan Alignment**

**Actions** - improve asset governance and planning capability, including:

- Development and formal adoption of a fit-for-purpose Asset Management Framework (F6.32)
- Alignment of the Strategic Asset Management Plan to the LTFP and long-term sustainability objectives (F6.33)
- Rationalisation, updating, and standardisation of asset-related SOPs and IOPs with document control requirements (F6.34)
- Development of a comprehensive asset revaluation schedule and stronger asset data governance, validation, and reconciliation (F6.35)
- Review of asset management roles, responsibilities, capability, and retention risks (F6.36)
- Stronger governance over asset management system implementation and remediation of asset-related audit findings (F6.37)

## FINDING 7. (F7) – RISK MANAGEMENT AND INTERNAL AUDIT

The organisation requires stronger risk visibility, assurance coverage, and alignment between risk, controls, and decision-making.

**Key issues**

- Risk Management Framework not embedded in organisational decision-making
- Significant backlog of overdue policies, IOPs, and Local Laws
- Weak internal audit coverage and limited assurance over high-risk areas
- Poor ownership and accountability for audit actions
- Under-resourced audit and risk function
- Limited visibility of strategic and emerging risks to Council and ARIC

**Forward Improvement Plan Alignment**

**Actions** - build a structured and effective assurance framework, including:

- Urgent review of overdue policies, IOPs, and Local Laws, including Digital Services and cyber risk controls (F7.38)
- Review and strengthening of the Risk Management Framework, clearer risk ownership and regular reporting to Executive, ARIC, and Council (F7.39)
- Development and implementation of a risk-based internal audit plan, with action tracking and accountability for timely completion (F7.40)
- Review of resourcing, handover, training, and succession planning arrangements for the Audit, Risk, and Insurance function (F7.41)

## FINDING 8. (F8) – RECORDS MANAGEMENT

Inconsistent recordkeeping practices create compliance, privacy, and evidentiary risks.

**Key issues**

- Lack of clear governance and accountability for recordkeeping
- Incomplete implementation of the Recordkeeping Plan
- Weak document control, procedures, and compliance practices
- Freedom of Information (FOI) process risks due to poor record capture and retrieval capability
- ERP related privacy, security, and records management gaps
- Limited staff capability and training in recordkeeping obligations
- Risks associated with outsourced recordkeeping arrangements

**Forward Improvement Plan Alignment**

**Actions** - strengthen recordkeeping discipline and systems, including:

- Clearer executive accountability and operational ownership for records management (F8.42)
- Development, approval, and implementation of comprehensive records management procedures with document control requirements (F8.43)
- Establishment of monitoring and reporting for the Recordkeeping Plan 2025–2029 (F8.44)
- Stronger contractual requirements and compliance monitoring for outsourced recordkeeping services (F8.45)
- Mandatory records management training and capability uplift (F8.46)
- Review and remediation of ERP configuration issues affecting records, privacy and security (F8.47)
- Post-implementation records management review to confirm compliance with the State Records Act 2000 (F8.48)

**FINDING 9. (F9) – HUMAN RESOURCES AND WORKPLACE RELATIONS**

Weaknesses in Human Resources (HR) governance, compliance, and workforce planning increase organisational and industrial risk.

**Key issues**

- Absence of a fully developed Strategic Workforce Plan aligned to organisational needs
- Weak HR governance across recruitment, conduct, and entitlements
- Inconsistent application of policies and procedures
- Workforce capability, retention, and organisational structure challenges
- Poor personnel file integrity and documentation standards
- Risks relating to allowances, reimbursements, and HR system controls
- Workplace culture, conduct, and employee relations concerns

**Forward Improvement Plan Alignment**

**Actions** - establish a coherent and compliant HR framework, including:

- Urgent, risk-prioritised review of HR IOPs and SOPs covering recruitment, secondments, reclassifications, allowances, and disciplinary processes (F9.49)
- Finalisation and implementation of a Strategic Workforce Plan aligned to the Town's planning framework and LTFP (F9.50)
- Stronger recruitment governance, merit-based selection, and monitoring of direct appointments, reclassifications, and CEO memo approvals (F9.51)
- Minimum governance requirements for workplace conduct outcomes, documentation standards, file integrity, and retained external advice (F9.52)
- Completion of leave remediation, correction of employee balances, and resolution of TechOne configuration issues (F9.53)
- Clearer governance over allowances, housing, and reimbursements, including eligibility, evidence requirements, and FBT review where relevant (F9.54)
- Formal HR system change control, restricted access, and readiness testing before rollout of HR modules (F9.55)

## FINDING 10. (F10) – COMMUNITY ENGAGEMENT AND CUSTOMER SERVICE

Public-facing processes require clearer standards, stronger consistency, and improved performance visibility.

**Key issues**

- Lack of a defined Customer Experience Strategy and performance framework
- Inconsistent customer service processes and service standards
- Limited system integration and customer data/reporting capability
- Workforce capability and training gaps in customer-facing functions
- Weak community engagement frameworks and grant governance processes
- Limited reporting to Council on customer outcomes and service performance

**Forward Improvement Plan Alignment**

**Actions** - improve service delivery and accountability, including:

- Urgent review, update, and formal approval of customer service and community-facing SOPs and IOPs, including cash handling controls (F10.56)
- Development and implementation of an action plan for the Customer Experience Strategy 2024–2026, supported by measurable performance indicators and reporting (F10.57)
- Review of customer-facing systems to reduce fragmentation and improve integration, data quality, and reporting (F10.58)

- Action to address culture, morale, induction, training, and knowledge-sharing across community-facing teams (F10.59)
- Development of a structured community engagement framework aligned to the Strategic Community Plan and improved grant communication processes (F10.60)
- Stronger cross-functional coordination and regular reporting to the Council on customer service and community engagement outcomes (F10.61)

## FINDING 11. (F11) – DELEGATIONS

Delegations require strengthening to ensure lawful, efficient, and well-controlled decision-making.

### Key issues

- Inaccurate or outdated Register of Delegated Authority
- Misalignment between delegations, policies, and operational practices
- Instances of approvals outside delegated authority
- Over-reliance on escalation to the CEO and use of memoranda
- Limited assurance over compliance with delegation requirements

### Forward Improvement Plan Alignment

**Actions** - reinforce delegations as a core governance control, including:

- Urgent review of the Register of Delegated Authority for accuracy, consistency and legislative alignment (F11.62)
- Alignment of delegations, procurement policies, and internal procedures, including removal of wording ambiguity around thresholds (F11.63)
- Implementation of governance controls, including system-based validation where possible, to prevent approvals outside delegated authority (F11.64)
- Consideration of a targeted independent review of known delegation issues and any wider emerging concerns (F11.65)

## 6. FORWARD IMPROVEMENT PLAN - IMPLEMENTATION PRIORITIES AND RATINGS

For the purposes of implementation, the following priority ratings apply to actions under this FIP.

| Priority | Description | Indicative Timeframe |
|---|---|---|
| **Critical** | Immediate risk exposure or foundational control weakness requiring urgent action | 0-6 months |
| **High** | Key system, governance or control uplift required to strengthen and operationalise frameworks and controls | 6-12 months |
| **Medium** | Capability, integration, and maturity uplift to embed, optimise, and sustain improvements | 12-24 months |

## 7. FORWARD IMPROVEMENT PLAN

The following action register translates the Health Check recommendations into a structured and accountable improvement program. Each action should be read as a management commitment requiring implementation evidence before closure.

**F1 - Governance and Organisational Structure (Risk Rating - Extreme)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Governance and Leadership**<br><br>Council should ensure clearly defined and measurable KPIs for the CEO and Executive Leadership Team.<br><br>Strengthen governance capability and oversight. | • Develop and adopt a formal CEO and Executive KPI framework aligned to strategic objectives, statutory obligations, and organisational reform priorities<br>• Consider the business case to recruit or engage a Director of Governance to lead the governance uplift program and coordinate priority governance reforms | Critical | Council<br><br><br><br><br>CEO/Council | 0-6 mths<br><br><br><br><br>0-6 mths | Council<br><br><br><br><br>CEO | Approved KPI Framework;<br><br><br><br><br>Monitor scope and reports; Governance Framework adopted; governance reports in place. |
| **Conflict of Interest Management**<br><br>Strengthen conflict-of-interest disclosure and management processes, ensure independent oversight of conflicts involving senior executives, and require transparent documentation and | • Review and update the Conflict of Interest Policy, declaration forms, registers, and management procedures<br>• Implement mandatory initial and annual conflict disclosure processes for Council members, Executive, and relevant staff<br>• Establish an independent review mechanism for senior executive conflicts, including ARIC or external advisor oversight where appropriate | Critical | CEO | 0-6 mths | ARIC/Council | Updated policy; conflict register; documented disclosures; ARIC reporting |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| reporting of how conflicts are managed. | • Implement a central Conflict of Interest Register with a clear audit trail, management actions, and review dates<br>• Introduce regular reporting of conflicts and conflict-management actions to ARIC | | | | | |
| **Executive Accountability and Performance**<br><br>Reinforce appropriate use of delegations and reduce unnecessary escalation of operational decisions.<br><br>Prohibit or minimise the routine use of CEO memoranda to bypass established controls. | • Issue formal guidance defining escalation thresholds, decision-making authority boundaries, and accountability expectations<br>• Establish controls, approval thresholds, and recordkeeping requirements for CEO memoranda and similar approval mechanisms<br>• Introduce exception reporting on delegation use, escalation practices, and instances of control bypass<br>• Provide targeted governance and accountability training to the Executive Leadership Team | High | CEO | 6-12 mths | ARIC/Council | Approved guidance; memorandum control protocol; exception reports; ARIC reporting |
| **Organisational Culture and Safety**<br><br>Commission an independent review of organisational culture and psychosocial safety. | • Commission an independent organisational culture and psychosocial safety review<br>• Develop and implement a culture improvement plan with clear actions, accountabilities, and reporting measures<br>• Engage an organisational change manager, if required, to | High | CEO | 6-12 mths | ARIC/Council | Culture review report; endorsed improvement plan; updated complaint processes; implementation evidence |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| Consider engagement of an organisational change manager to implement urgent change in relation to governance and culture.\n\nStrengthen complaint handling, confidentiality, and procedural fairness processes, including communication of outcomes. | support reform implementation and change communications\n• Review and strengthen complaint handling, confidentiality, triage, and investigation procedures\n• Implement communication protocols for complaint outcomes and procedural fairness | | | | | |
| **Organisational Structure**\n\nReview the placement of the Contracts function to ensure clear separation between operational delivery and assurance roles.\n\nReassess asset management capability, reporting lines, and leadership accountability. | • Undertake a targeted review of the organisational structure to ensure roles and functions achieve an appropriate balance between employee workforce capacity and external contractor utilisation, supporting sustainability, capability\n• Redesign reporting lines for Contracts and Asset Management functions to ensure separation of duties and independence of assurance functions\n• Clarify roles, responsibilities, and accountability statements for affected functions retention and financial efficiency | High | CEO | 6-12 mths | Council | Approved structure review; endorsed organisational design changes; updated reporting lines; revised position descriptions; workforce/contractor analysis completed |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Executive Leadership Alignment and Capability**<br><br>Invest in rebuilding a cohesive, high-performing ELT and establishing a "one organisation" approach, supported by clear expectations, behaviours, and leadership alignment. | • Establish and implement an ELT alignment and capability program to support a cohesive, high-performing "one organisation" leadership model<br>• Develop and adopt an ELT Team Charter defining roles, behaviours, decision-making protocols, and accountability expectations<br>• Align Executive performance to a formal KPI framework linked to Council priorities and the FIP<br>• Facilitate structured leadership alignment sessions to strengthen collaboration, trust, and decision-making<br>• Undertake periodic independent assessment of ELT effectiveness and capability<br>• Establish and communicate clear expectations regarding compliance with governance processes, delegations, and organisational values | Critical | CEO/ELT/Council | 6- 12mths | CEO/Council | ELT Charter adopted; KPI framework approved and reported; CEO memorandum/bypass reporting; consistent Executive reporting; staff survey results; ELT alignment session records; independent ELT effectiveness review; FIP delivery reporting |

**F2 - Financial Management and Long-Term Financial Planning (Risk Rating - High)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Financial Governance and Procedures**<br><br>Urgently review, update, approve, and implement all key financial SOPs and IOPs, prioritising payroll, accounts payable, delegations, and contract payment processes. | • Complete a gap analysis of all key financial SOPs and IOPs, prioritising payroll, accounts payable, delegations, and contract payment processes<br>• Update, approve, and publish the prioritised procedures with defined document owners and review cycles<br>• Align procedures to current legislative requirements, delegations, and system workflows<br>• Provide targeted training to relevant officers on the updated procedures and approval requirements<br>• Implement compliance checks to confirm the updated procedures are operating in practice | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Approved financial SOPs and IOPs; compliance check results |
| **Long-Term Financial Planning (LTFP)**<br><br>Finalise and adopt a revised LTFP that is demonstrably supported by approved Strategic Asset Management and Workforce Plans. | • Review and update the LTFP using contemporary assumptions and scenario analysis<br>• Align the LTFP with Asset Management Plans, Workforce Plan, and Strategic Community Plan priorities<br>• Incorporate major renewal, operating cost, inflation, reserve, and funding assumptions into the planning model | High | CEO/Director Corporate Services/Director Infrastructure Services | 6-12 mths | Council | Adopted and updated Long Term Financial Plan |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| Ensure clear linkage between long-term financial assumptions, asset lifecycle costs, and workforce capacity. | • Document financial sustainability risks and management strategies arising from the updated plan | | | | | |
| **Financial Controls and Governance**<br><br>Strengthen internal financial controls, authorisation settings, and accountability for financial decision-making. | • Review financial delegations and authorisation limits for appropriateness, alignment, and segregation of duties<br>• Document the core financial control framework, including key approvals, reconciliations, and independent review points<br>• Implement periodic testing of high-risk financial controls and remediate identified weaknesses<br>• Clarify accountability for procurement-related financial approvals, commitments, and contract variations<br>• Report material control weaknesses and corrective actions to ARIC | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Documented control framework; test results; remediation records |
| **Budget Alignment**<br><br>Ensure budget development and resource allocation are aligned with strategic priorities and service commitments. | • Review the annual budget development process to strengthen alignment with strategic and corporate planning<br>• Introduce a priority-based budgeting approach for major initiatives and discretionary expenditure decisions | High | CEO/Director Corporate Services | 6-12 mths | Council | Budget documentation aligned to strategy; business case records |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Require business cases or supporting rationale where budget proposals create significant new commitments<br>• Improve visibility of the linkage between budget allocations, expected outputs, and service levels<br>• Report budget alignment outcomes to Council as part of annual planning and review processes | | | | | |
| **Financial Sustainability**<br><br>Improve monitoring and reporting of financial sustainability indicators and emerging pressures. | • Develop and adopt a suite of financial sustainability indicators, ratios, and trend measures<br>• Implement regular reporting of sustainability metrics to management, ARIC, and Council<br>• Benchmark performance against sector indicators or historical trends where appropriate<br>• Integrate sustainability reporting into broader corporate performance reporting<br>• Use indicator trends to inform future budget, service, and capital planning decisions | Medium | CEO/Director Corporate Services | 12-24 mths | ARIC/Council | KPI reports, sustainability metrics, and trend analysis |

**F3 - Payroll Management (Risk Rating - Extreme)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Payroll Compliance**<br><br>Ensure payroll arrangements comply with awards, enterprise agreements, legislation, and internal authorisation requirements. | • Conduct a comprehensive payroll compliance audit covering pay rates, classifications, overtime, allowances, leave, superannuation, and recordkeeping<br>• Identify, quantify, and remediate underpayments, overpayments, or interpretation issues identified through the review<br>• Document decision rules and compliance requirements for key payroll scenarios<br>• Obtain specialist advice where required to confirm the interpretation of awards, agreements, or legislation<br>• Report audit findings, remediation progress, and residual risks to ARIC | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Payroll compliance audit report; remediation plan; progress reporting |
| **Payroll Controls**<br><br>Strengthen the payroll control environment and reduce the risk of error, manipulation, or unauthorised processing. | • Implement clear segregation of duties across payroll setup, processing, approval, and reconciliation activities<br>• Introduce independent payroll verification and exception review before pay finalisation<br>• Formalise payroll approval workflows and recordkeeping requirements | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Control matrix; approval records; access review evidence |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Review privileged access and change controls within payroll-related systems<br>• Document and monitor key payroll controls through a control matrix | | | | | |
| **Payroll Procedures**<br><br>Ensure payroll processing is documented, standardised, and capable of being applied consistently. | • Develop a payroll procedures manual covering end-to-end payroll processes, responsibilities, and escalation points<br>• Standardise processing steps for common and high-risk payroll transactions<br>• Implement documentation standards for manual adjustments, corrections, and overrides<br>• Provide training to payroll and relevant HR staff on the approved procedures<br>• Review and update procedures following any significant system or industrial changes | High | CEO/Director Corporate Services | 6-12 mths | ARIC/Council | Procedures manual; training records; review history |
| **System Integrity and Validation**<br><br>Validate payroll system settings, calculations, interfaces, and reconciliations to improve reliability. | • Undertake a payroll system reconciliation and validation exercise across key pay elements and interfaces<br>• Review configuration settings, formulas, and award rules embedded in the payroll system<br>• Correct data anomalies, mapping issues, or control gaps identified through the validation process | High | CEO/Director Corporate Services | 6-12 mths | ARIC/Council | Validation report; reconciliations; remediation log |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Implement periodic reconciliation checks between payroll, finance, and HR master data<br>• Document system issues, remediation actions, and residual risks | | | | | |
| **Ongoing Payroll Monitoring**<br><br>Establish ongoing assurance and reporting over payroll compliance and control effectiveness. | • Introduce a periodic payroll assurance program, including internal reviews or targeted audits<br>• Implement exception reporting for unusual transactions, overrides, negative leave, or recurring anomalies<br>• Monitor compliance trends and root causes over time<br>• Escalate material payroll issues and remediation delays to ARIC<br>• Incorporate payroll into the broader assurance and control monitoring framework | High | CEO/Director Corporate Services | 6-12 mths | ARIC/Council | Payroll assurance plan; exception reports; internal review reports; compliance trend reporting |

**F4 - Procurement (Risk Rating - Extreme)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Procurement Compliance**<br><br>Ensure procurement practices align with legislative, policy, and | • Review and update the Procurement Policy, procedures, and guidance materials to align with applicable local government requirements | Critical | Director Corporate Services | 0-6 mths | Council | Updated policy; guidance materials; compliance reporting |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| probity requirements and support value for money. | • Clarify procurement thresholds, quotation requirements, tender pathways, and exemption controls<br>• Communicate revised procurement requirements to staff and contract owners<br>• Implement approval and documentation requirements for high-risk, high-value, or non-standard procurements<br>• Monitor compliance with policy settings and escalate significant breaches | | | | | |
| **Documentation and Audit Trail**<br><br>Ensure procurement decisions are fully documented and capable of withstanding review or audit scrutiny. | • Standardise procurement templates for quotations, evaluations, approvals, exemptions, and contract variations<br>• Implement industry standard recordkeeping requirements for all procurement files<br>• Require documented rationale for supplier selection, probity decisions, and departures from standard process<br>• Introduce "spot checks" of procurement files for completeness and quality<br>• Address gaps in audit trail integrity through targeted training and oversight | Critical | CEO/Director Corporate Services | 0-6 mths | Council | Templates; procurement file reviews; audit-ready records |
| **Contract Management** | • Establish a contract management framework covering | High | ELT | 6-12 mths | Council | Approved contract management |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| Strengthen contract ownership, performance monitoring, and lifecycle management after award. | commencement, milestones, variations, performance, and close-out<br>• Develop and maintain a central contract register with ownership, key dates, and monitoring obligations<br>• Assign contract owners and clarify accountability for performance oversight<br>• Implement review processes for extensions, variations, and contract risks<br>• Report material contract issues, expiries, and non-performance to management and ARIC | | | | | framework; central register; variation controls; management reporting |
| **Tendering Processes**<br><br>Ensure tender processes are consistent, transparent, competitive, and properly governed. | • Standardise tender planning, evaluation, and approval processes<br>• Develop standard evaluation criteria templates and conflict declarations for evaluation panel members<br>• Formalise approval workflows for tender outcomes, negotiations, and recommendations to Council where required<br>• Provide procurement and probity training to relevant staff and panel members<br>• Retain complete tender records, including scoring, moderation, and approval documentation | High | ELT | 6-12 mths | Council | Evaluation records; training evidence; approval documentation |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Procurement Oversight and Assurance**<br><br>Introduce structured monitoring, reporting and assurance over procurement activity. | • Conduct periodic procurement compliance audits focusing on high-risk categories, exemptions and contract variations<br>• Implement exception reporting on non-compliance, late contracts, missing records and overdue reviews<br>• Report procurement performance and compliance outcomes to ARIC and Council<br>• Track and remediate recurring issues through management action plans<br>• Include procurement within the annual assurance and internal audit planning process | High | CEO/Director Corporate Services | 6-12 mths | ARIC/Council | Procurement compliance reviews; exception reports; remediation tracker; ARIC/Council reporting |

**F5 - ERP System Implementation and Information Security (Risk Rating - Extreme)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **ERP Stabilisation and Post-Implementation Review**<br><br>Complete a structured post-implementation review of the ERP environment and address unresolved control, process and data issues. | • Undertake a post-implementation review of the ERP program covering scope, governance, defects, controls, user adoption and unresolved risks<br>• Identify high-priority system issues affecting finance, payroll, procurement, records and asset processes | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Post-implementation review; stabilisation plan; status reporting |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Develop a stabilisation plan with actions, owners, timeframes and dependency management<br>• Escalate material post-implementation risks and resource requirements to the Executive, ARIC and Council<br>• Verify completion of critical remediation actions before closing the stabilisation phase | | | | | |
| **Data Integrity and Master Data Governance**<br><br>Improve the reliability, completeness, and governance of ERP data used for management and operational decision-making. | • Perform data validation and reconciliation across key modules, interfaces, and reports<br>• Resolve identified data quality issues, duplicates, mapping errors, and legacy data anomalies<br>• Define master data ownership and approval controls for critical data sets<br>• Implement periodic reconciliation and exception reporting processes<br>• Document residual data integrity risks and mitigation actions | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Data validation report; reconciliations; master data controls |
| **Information Security Framework**<br><br>Strengthen cybersecurity, information security governance, and system resilience. | • Develop or refresh the information security framework, including policies, roles, controls, and incident-response expectations<br>• Implement priority cybersecurity controls for access, authentication, privileged users, backup, patching, and monitoring | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Security framework; implemented controls; incident and uplift reporting |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Assess system and data security risks associated with critical business systems and third-party providers<br>• Provide security awareness training and role-specific guidance to staff<br>• Report key security risks, incidents, and uplift progress to ARIC and Council | | | | | |
| **Access Control and User Administration**<br><br>Ensure user access is appropriate, controlled and subject to review. | • Review system access, user roles and privileged account assignments across the ERP and related systems<br>• Remove inappropriate, dormant or excessive access and document remediation decisions<br>• Implement joiner, mover and leaver controls linked to HR and management approvals<br>• Introduce periodic user access reviews and certification processes<br>• Maintain an auditable record of changes to access and system roles | High | CEO/Director Corporate Services | 6-12 mths | CEO | Access review outcomes; certification records; remediation evidence |
| **ICT Governance and Decision-Making**<br><br>Establish stronger governance over ICT priorities, change control and business ownership of system risks. | • Establish an ICT governance framework setting out decision rights, forums, reporting lines and risk ownership<br>• Implement change control processes for system configuration, enhancements and emergency fixes | High | CEO/Director Corporate Services | 6-12 mths | CEO | ICT governance framework; change control records; roadmap |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Clarify business ownership for critical systems and key data domains<br>• Develop a roadmap for system enhancement, support and lifecycle management<br>• Report ICT governance matters, major incidents, and control issues to ARIC and the Executive | | | | | |

**F6 - Asset Management (Risk Rating - Extreme)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Asset Management Planning**<br><br>Develop and maintain contemporary asset management plans that support service delivery and financial sustainability. | • Prepare or refresh Asset Management Plans for key asset classes using current service, lifecycle, and renewal information<br>• Ensure plans identify levels of service, condition, risk, renewal requirements, and funding implications<br>• Align asset planning assumptions with strategic priorities and statutory obligations<br>• Submit updated Asset Management Plans for management and Council review as required<br>• Establish review cycles and ownership for ongoing asset planning updates | Critical | CEO/Director Infrastructure | 0-6 mths | CEO | Approved Asset Management Plans; review schedule |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Asset Data Quality**<br><br>Improve asset data integrity to support condition assessment, valuation, maintenance, and renewal planning. | • Undertake a targeted asset data validation exercise across priority asset classes<br>• Resolve data gaps, duplicates, inconsistent attributes, and valuation anomalies<br>• Clarify data standards, ownership, and update responsibilities<br>• Introduce routine reconciliation between asset, finance, and maintenance records<br>• Document residual data limitations and prioritise further remediation work | Critical | CEO/Director Infrastructure | 0-6 mths | CEO | Data validation results, updated asset records, and reconciliation evidence |
| **Integration with Long-Term Financial Planning**<br><br>Strengthen the link between asset planning and long-term financial affordability. | • Align Asset Management Plans with the LTFP and capital planning assumptions<br>• Model renewal demand, backlog exposure, and operating cost implications over the planning horizon<br>• Identify funding gaps, service consequences, and risk trade-offs for decision-makers<br>• Use integrated planning outputs to inform annual budget and capital program development<br>• Report major affordability risks and planning assumptions to Council | High | CEO/Director Infrastructure | 6-12 mths | CEO | Integrated planning outputs; Council reporting |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Lifecycle and Renewal Modelling**<br><br>Improve lifecycle costing and prioritisation of maintenance and renewal decisions. | • Develop lifecycle models and renewal forecasts for priority asset classes<br>• Use condition, criticality, and service impact to prioritise renewal and maintenance interventions<br>• Incorporate climate, usage, and failure risk factors where relevant<br>• Link lifecycle modelling outputs to capital planning and asset risk registers<br>• Review and refine modelling assumptions as better data becomes available | Medium | CEO/Director Infrastructure | 12-24 mths | Council | Lifecycle models; prioritisation methodology |
| **Capital Planning Governance**<br><br>Strengthen governance, challenge, and oversight over capital works planning and delivery. | • Establish a capital governance framework covering project initiation, prioritisation, approval, delivery monitoring, and post-completion review<br>• Require documented business cases or justification for major capital proposals<br>• Clarify governance roles for project sponsors, delivery managers, and financial oversight<br>• Implement structured reporting on major project status, variations, delays, and delivery risks, including escalation of material deviations<br>• Ensure organisational structure supports effective asset lifecycle | High | CEO/Director Infrastructure | 6-12 mths | ARIC/Council | Capital governance framework; business case templates; project reporting; gateway review records |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | planning, financial integration, and clear accountability for asset performance and sustainability outcomes<br>• Introduce independent challenge or gateway review processes for high-value or high-risk capital projects before approval | | | | | |

**F7 - Risk Management and Internal Audit (Risk Rating - High)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Risk Management Framework**<br><br>Refresh the risk management framework to provide a practical and consistent basis for risk identification, assessment, treatment, and reporting. | • Review and update the Risk Management Framework, including policy, roles, risk criteria, and reporting expectations<br>• Align the framework to contemporary better practice and the organisation's governance structure<br>• Define risk ownership and accountabilities across strategic, operational, and project risks<br>• Communicate the revised framework to management and relevant staff<br>• Obtain formal endorsement of the refreshed framework through the appropriate governance pathway | Critical | ELT | 0-6 mths | ARIC/Council | Approved risk framework; communication materials |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Risk Registers**<br><br>Develop or improve strategic and operational risk registers and ensure they are actively maintained. | • Prepare or refresh strategic and operational risk registers for key business areas<br>• Ensure risks include causes, consequences, controls, treatments, owners, and target dates<br>• Review current control effectiveness and residual risk ratings for material risks<br>• Establish review cycles and quality assurance processes for risk register updates<br>• Report material risks and overdue treatments through management and ARIC reporting | Critical | ELT | 0-6 mths | ARIC/Council | Current risk registers; review records; treatment tracking |
| **Internal Audit Planning**<br><br>Establish a risk-based internal audit plan aligned to organisational priorities and assurance gaps. | • Develop a risk-based internal audit plan informed by the Health Check, risk registers, and management priorities<br>• Identify audit coverage for high-risk business functions and cross-cutting control themes<br>• Present the internal audit plan to ARIC for review and endorsement<br>• Track completion of audit engagements and management actions through a recommendations register<br>• Use audit results to inform ongoing control improvement and assurance priorities | High | ELT | 6-12 mths | ARIC/Council | Approved internal audit plan; recommendations register |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Assurance Mapping**<br><br>Improve visibility of who provides assurance over key risks and controls and where gaps remain. | • Develop an assurance map covering management assurance, internal audit, external audit, compliance reviews, and specialist reviews<br>• Identify assurance gaps, duplication, and weak lines of sight over high-risk areas<br>• Use the assurance map to support annual planning and ARIC oversight<br>• Assign responsibility for closing identified assurance gaps<br>• Review and update the assurance map at least annually | Medium | ELT | 12-24 mths | ARIC/Council | Assurance map; gap analysis; action tracking |
| **Risk Reporting**<br><br>Implement structured and useful risk reporting to management, ARIC, and Council. | • Develop a risk reporting framework specifying cadence, content, escalation thresholds, and responsible officers<br>• Report material strategic and operational risks, trend movements, and overdue treatments to ARIC<br>• Integrate risk reporting with project, compliance, and internal audit reporting where appropriate<br>• Provide concise management commentary on emerging issues and risk decisions<br>• Use reporting insights to inform resource allocation and control improvement priorities | High | ELT | 6-12 mths | ARIC/Council | Risk reports; reporting framework; escalation records |

**F8 - Records Management (Risk Rating - High)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Records Management Framework**<br><br>Review and strengthen records management policy settings, accountabilities, and compliance obligations. | • Review the records management framework, including policies, standards, responsibilities, and approved recordkeeping plan requirements<br>• Clarify governance responsibilities for records ownership, retention, disposal, and access<br>• Align local procedures to applicable State Records obligations and organisational requirements<br>• Develop a records improvement plan for identified framework gaps<br>• Report material recordkeeping compliance issues to management, ARIC, and Council | Critical | CEO/Director Corporate Services | 0-6 mths | ARIC/Council | Updated framework; improvement plan; compliance reporting |
| **Document Control and Storage**<br><br>Standardise document handling and improve consistency of storage, retrieval, and version control practices. | • Implement standard document control requirements for naming, storage, access, approval, and version management<br>• Map key document repositories and identify uncontrolled or duplicated storage practices<br>• Develop procedures for the capture of records created through operational, governance, and project activities<br>• Undertake targeted clean-up and migration activities where | High | CEO/Director Corporate Services | 6-12 mths | CEO | Document control procedure; repository mapping; spot review results |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | uncontrolled repositories are identified<br>• Monitor compliance in high-risk business areas through spot reviews | | | | | |
| **Staff Capability and Awareness**<br><br>Improve staff understanding of recordkeeping obligations and expected practices. | • Develop and deliver records management training for Council members, Executives, and staff as relevant<br>• Provide role-specific guidance for high-volume or high-risk business areas<br>• Embed recordkeeping expectations into induction and refresher training materials<br>• Issue practical guidance on email, electronic records, and meeting records capture<br>• Monitor training completion and follow up on non-attendance | Medium | ELT | 12-24 mths | CEO | Training records; guidance materials |
| **Systems and ERP Capability**<br><br>Assess whether current systems adequately support compliant and efficient recordkeeping. | • Review the capability of the ERP and other systems used to create or store records<br>• Identify functional gaps affecting capture, retrieval, access, retention, or disposal<br>• Develop a systems improvement plan prioritising critical recordkeeping risks<br>• Clarify integration requirements between key business systems and records repositories | High | CEO/Director Corporate Services | 6-12 mths | CEO | Systems review; improvement plan |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Escalate resourcing or system investment needs through the ICT governance process | | | | | |
| **Retention and Disposal Compliance**<br><br>Strengthen retention, disposal, and archive transfer practices to reduce compliance risk. | • Review retention and disposal practices against approved authorities and schedules<br>• Implement controls to prevent unauthorised disposal or indefinite retention of records<br>• Undertake priority disposal or remediation activities where legacy backlogs exist<br>• Document approvals and evidence for disposal actions<br>• Report significant retention and disposal risks to ARIC | High | CEO/Director Corporate Services | 6-12 mths | CEO | Retention schedule; disposal records; risk reporting |

**F9 - Human Resources and Workplace Relations (Risk Rating - Extreme)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **HR Governance Framework**<br><br>Establish a coherent human resources framework covering key employment lifecycle policies, accountabilities, and controls. | • Develop or refresh the HR framework, including core policies, delegations, procedures, and governance accountabilities<br>• Prioritise policy areas such as recruitment, probation, conduct, grievances, leave, performance, and separation<br>• Clarify responsibilities between HR, line managers, Executives, and external advisors | Critical | CEO/Director Corporate Services | 0-6 mths | CEO | HR framework; policy register; implementation plan |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Introduce a policy review register and implementation plan<br>• Report progress of priority HR framework actions to the CEO | | | | | |
| **Industrial and Employment Compliance**<br><br>Assess and strengthen compliance with employment legislation, industrial instruments, and recordkeeping obligations. | • Conduct an HR compliance audit covering contracts, classifications, industrial instruments, leave, recordkeeping, and legislative obligations<br>• Identify and remediate priority compliance gaps, unsupported practices, or outdated templates<br>• Obtain specialist advice where required on industrial interpretation or employee relations risk<br>• Document corrective actions and assign accountable owners<br>• Report audit outcomes and high-risk matters to ARIC | Critical | CEO/Director Corporate Services | 0-6 mths | CEO | Compliance audit; remediation plan; advice records |
| **Recruitment and Onboarding**<br><br>Standardise recruitment and onboarding arrangements to improve fairness, consistency, and control. | • Develop a recruitment framework covering approvals, advertising, assessment, referee checks, offers, and records<br>• Clarify the role of delegations and panel responsibilities in recruitment decisions<br>• Standardise onboarding processes, including contract issue, induction, system access, and probation checkpoints | High | CEO/Director Corporate Services | 6-12 mths | CEO | Recruitment framework; onboarding checklist; QA results |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Introduce quality assurance checks over recruitment documentation<br>• Monitor timeliness and compliance of recruitment activities | | | | | |
| **Performance Management and Conduct**<br><br>Implement practical arrangements for performance development, early intervention, and workplace conduct management. | • Develop or refresh the performance management framework, including planning, review cycles, documentation, and escalation pathways<br>• Provide managers with tools and training for performance conversations, documentation, and early intervention<br>• Align misconduct, grievance, and disciplinary procedures with natural justice and procedural fairness principles<br>• Track completion of performance reviews and follow up on gaps<br>• Monitor trends in performance and conduct matters to identify systemic issues | High | ELT | 6-12 mths | CEO | Performance framework; manager training; review completion data |
| **Workforce Planning and Capability**<br><br>Strengthen workforce planning to address capability, succession, and organisational structure pressures. | • Prepare a Strategic Workforce Plan addressing current capability gaps, critical roles, succession risks, and workforce sustainability<br>• Align workforce planning to strategic priorities, financial capacity, and organisational structure reforms | High | CEO | 6-12 mths | Council | Strategic Workforce Plan; capability analysis; contractor utilisation analysis; Council reporting |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Identify immediate and medium-term interventions for recruitment, development, and retention<br>• Analyse the balance between employee workforce capacity and external contractor utilisation to ensure sustainability, capability retention, and financial efficiency<br>• Incorporate psychosocial safety, culture, and leadership capability considerations into workforce planning<br>• Report workforce planning outcomes to Council and management | | | | | |

**F10 - Community Engagement and Customer Service (Risk Rating - Medium)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Community Engagement Framework**<br><br>Develop a clearer and more consistent approach to planning and managing community engagement activities. | • Develop a community engagement framework setting out objectives, methods, responsibilities, and minimum documentation expectations<br>• Align engagement practices to statutory consultation requirements and strategic planning processes where relevant<br>• Clarify how engagement outcomes are captured, analysed, and reported to decision-makers | High | CEO/Director Community Services | 6-12 mths | Council | Community engagement framework; templates; review outcomes |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | • Provide guidance and templates for engagement planning and reporting<br>• Review priority engagement activities for consistency with the new framework | | | | | |
| **Customer Service Standards**<br><br>Define service expectations and improve consistency in customer-facing interactions. | • Develop customer service standards covering responsiveness, escalation, tone, accessibility, and recordkeeping<br>• Clarify accountabilities for monitoring service delivery across channels<br>• Provide staff guidance and training on service standards and difficult customer interactions<br>• Introduce basic service performance measures and reporting<br>• Use customer service insights to inform process improvement priorities | High | CEO | 6-12 mths | Council | Customer service standards, training records, and service measures |
| **Complaints Management**<br><br>Strengthen complaints intake, triage, response quality, and organisational learning from complaints. | • Review and standardise complaints management procedures, roles, and escalation pathways<br>• Implement a central complaints register with categorisation, timeframes, and action tracking<br>• Clarify procedural fairness, confidentiality, and | High | ELT | 6-12 mths | ARIC/Council | Approved complaints procedure; central register; trend analysis; management and ARIC reporting |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| | communication requirements for complaint handling<br>• Analyse complaint trends and systemic issues to inform corrective action<br>• Report complaint performance and significant issues to management, ARIC, and Council | | | | | |
| **Performance Reporting and Community Accountability**<br><br>Improve reporting on service and engagement performance to support transparency and improvement. | • Develop a concise reporting framework for customer service and community engagement performance<br>• Report key metrics such as volumes, timeliness, recurring issues, and satisfaction measures where available<br>• Integrate public-facing performance measures into broader organisational reporting<br>• Use reporting outcomes to identify process redesign or service improvement opportunities<br>• Provide periodic summary reporting to Council | Medium | CEO/Director Community Services | 12-24 mths | Council | Performance reports; improvement actions |

**F11 - Delegations (Risk Rating - High)**

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| **Delegations Register and Instruments** | • Undertake a review of delegation instruments and the delegations | Critical | CEO | 0-6 mths | Council | Updated register; reviewed |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| Review delegation instruments and registers to ensure they are current, lawful, and complete. | register for currency, legality, and completeness<br>• Identify missing, duplicated, superseded, or ambiguous delegations and rectify as required<br>• Ensure delegation instruments are properly approved, recorded, and accessible to relevant officers<br>• Develop a schedule for periodic review of delegations and related authorisations<br>• Report review outcomes and priority issues to Council | | | | | instruments; Council reporting |
| **Alignment to Organisational Structure**<br><br>Ensure delegations align with current roles, reporting lines, and business responsibilities. | • Map delegations to the current organisational structure and position descriptions<br>• Remove or amend delegations that no longer align with the role's purpose or span of control<br>• Confirm delegated powers are assigned at an appropriate level and supported by capability<br>• Coordinate delegation changes with broader structure and governance reforms<br>• Implement change communication for affected officers and managers | High | CEO | 6-12 mths | Council | Alignment mapping; updated delegation assignments |
| **Delegation Controls and Use**<br><br>Strengthen controls, | • Develop procedures for exercising delegated authority, including documentation and recordkeeping expectations | High | CEO | 6-12 mths | Council | Delegation procedures; compliance |

| Health Check Recommendation | FIP Action | Priority | Responsible | Timeframe | Oversight | Evidence |
|---|---|---|---|---|---|---|
| recordkeeping, and oversight over the use of delegated authority. | • Implement controls over sub-delegation, approval evidence, and exception management where applicable<br>• Monitor use of key delegations and review unusual, high-risk, or repeated exceptions<br>• Introduce periodic compliance checks over delegation use in selected business areas<br>• Escalate material issues or breaches to the CEO | | | | | checks; exception reporting |
| **Training and Awareness**<br><br>Improve organisational understanding of delegated authority and associated responsibilities. | • Provide training to Council members, Executives, managers, and relevant officers on the delegations framework<br>• Issue practical guidance on when to rely on delegation, when to escalate, and what records must be kept<br>• Incorporate delegations training into induction and periodic refresher programs<br>• Test understanding in high-risk functional areas through targeted review or supervision<br>• Track completion and follow up on outstanding training requirements | Medium | CEO | 12-24 mths | CEO | Training records, guidance materials, and completion tracking |

## 8. REPORTING FRAMEWORK

To ensure disciplined oversight, the FIP should be reported to the responsible person or body through a standardised implementation dashboard and narrative progress report. Reporting should focus not only on whether actions are on time, but whether the underlying risk or control weakness is actually being addressed.

### 8.1 Reporting Frequency

- Monthly Executive Leadership Team review of progress, delivery risks, dependencies, and overdue actions
- Quarterly ARIC reporting on implementation status, control uplift, overdue actions, major risks, and matters requiring escalation
- Quarterly Council reporting on strategic progress, key milestones, resourcing issues, and matters requiring Council decision or endorsement
- Reporting should reflect both completion status and progress against key milestones, particularly for actions with longer implementation timeframes.

### 8.2 Minimum Report Content

- overall implementation status by finding the theme
- status by action and by finding theme using the RAG (Red, Amber, Green) status ratings
- actions completed in the period and evidence of implementation
- overdue actions and reasons for delay
- delivery risks, dependencies, and matters requiring intervention
- changes to scope, sequencing, or timeframes
- emerging control issues identified during implementation
- decisions sought from Executive Leadership Team, ARIC, or matters to be referred to Council

### 8.3 Closure and Validation

An action should not be reported as closed merely because a document has been drafted or a workshop has occurred. Closure should only occur where there is sufficient evidence that the intended control, framework, process, or governance change has been implemented and is operating in practice.

- approved policies, frameworks, plans, or procedures
- implemented system controls or workflow changes
- training completion records and communication materials
- registers, reports, or monitoring outputs demonstrating the action is operational
- management validation, testing, or assurance review where appropriate
- ARIC notation or Council endorsement where the action requires formal governance sign-off

## 9. IMPLEMENTATION AND GOVERNANCE APPROACH

Implementation of the FIP should be managed as a coordinated reform program with explicit executive ownership, disciplined sequencing, and regular governance checkpoints. The following approach is recommended.

## 9.1 Delivery Phases

- **Phase 1** - Stabilisation (0-6 months): delivery of Critical priority actions to address immediate control weaknesses and establish foundational governance, financial, and system controls
- **Phase 2** - Control Strengthening (6-12 months): implementation of core frameworks, procedures, registers, and reporting mechanisms across key business functions
- **Phase 3** - Integration and Capability (12-24 months): alignment of systems, planning, workforce, and assurance processes to support integrated decision-making
- **Phase 4** - Embedding and Assurance (ongoing): validation of control effectiveness, continuous monitoring, and sustained governance maturity

## 9.2 Roles and Accountabilities

- Council provides strategic oversight, endorses major reforms, and receives high-level progress reports
- ARIC monitors implementation, control uplift, risk exposure, and adequacy of assurance
- The CEO is accountable for delivery, escalation, and resource prioritisation
- The ELT owns delivery within portfolios and manages cross-functional dependencies
- Responsible officers coordinate implementation, maintain evidence, and provide timely status updates
- A formal FIP Steering Group, chaired by the CEO, should coordinate delivery, monitor progress, and manage cross-functional dependencies across the program.

## 9.3 Change Control and Rephasing

Where actions need to be rephased, re-scoped, or deferred, the reason should be documented, the risk implications assessed, and the change approved through the appropriate governance pathway. Significant rephasing of Critical actions should be visible to ARIC and, where relevant, Council.

## 9.4 Implementation Risks

- insufficient executive capacity or competing operational priorities
- unclear ownership or limited follow-through by responsible officers
- poor integration between interdependent actions across different findings themes
- underestimation of system, workforce, or budget implications
- action closure without evidence of actual implementation
- loss of momentum after initial remediation activity

## 9.5 Success Measures

Success should be assessed not only by completion of actions, but by demonstrable improvement in governance discipline, control maturity, quality of reporting, compliance confidence, and organisational capability. This should be supported by evidence-based closure, visible ARIC and Council oversight, and clear linkage between reform actions and reduced organisational risk.

**DISCLAIMER**

All findings and recommendations contained in this report are made in good faith and based on information provided by the Town of Port Hedland.

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END.

21 March 2026