

13.1**ToPH Forward Improvement Plan**

Author: Temporary Chief Executive Officer

Authorising Officer: Temporary Chief Executive Officer

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER'S RECOMMENDATION

That Council:

- 1. Adopts the Forward Improvement Plan as presented**
- 2. Acknowledges the role of the Chief Executive Officer to operationally prepare a remediation plan to address the items detailed within the Forward Improvement Plan.**
- 3. Instructs the Chief Executive Officer to report reviews of those items identified in the Forward Improvement Plan to Audit Risk and Improvement Committee and Council, as detailed in the Forward Improvement Plan on a regular basis.**
- 4. Recommends to the newly elected Council that completion of the Forward Improvement Plan be one of the Key Performance Indicators for the substantive Chief Executive Officer.**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to consider and adopt a Forward Improvement Plan for the Town of Port Hedland. This Plan has been propagated from the Health Check undertaken by Moore Australia (WA) Pty Ltd for the Temporary Chief Executive Officer.

This report and its attachment are not identified as a confidential document for the purpose of this report.

DETAIL

On the 19th of March 2026, the Council considered an item 8.1.2 ToPH Health Check report (SCM202627/105) prepared by the Temporary Chief Executive Officer. This document was an internal view of operations and systems and identified several improvements that the organisation could consider.

Council subsequently resolved;

Item 8.1.2 – Alternate Motion (SCM 202627/106)

That Council:

1. Notes the Organisational Health Check Report (the report) undertaken by the Temporary Chief Executive Officer;
2. Notes the draft CEO Action and Assurance Roadmap developed in response to the findings and recommendations of the report;
3. Refers the report and the CEO Action and Assurance Roadmap to the Audit, Risk and Improvement Committee for its consideration; and
4. Directs the Temporary Chief Executive Officer to develop a Remediation Plan to be considered for adoption by Council at its April Ordinary Council Meeting, including recommendations as to how Council and the Audit, Risk and Improvement Committee be informed of progress toward the plan.

This report now seeks Council's consideration of a Forward Improvement Plan (the Plan) and details a roadmap for the Chief Executive Officer to manage the items identified in the Plan.

The Temporary Chief Executive Officer is cognisant that a significant volume of work is attached but also asks Council to note that there are timeframes applicable that should with appropriate resourcing support the Chief Executive Officer to achieve these functions through a series of development phases as detailed within the report.

This business paper is to be read in conjunction with the attached report.

There are a few matters that remain important for the Town to consider ensuring that the Plan is considered seriously and not foregone by other operational needs. These are listed for consideration;

- 1) Composition of the Steering Group
- 2) Adoption of the Plan as a Key Result Area for the Chief Executive Officer.
- 3) Reporting achievement or progress to the Audit Risk and Improvement Committee. (ARIC)

Composition of the Steering Group.

The Plan details a process where the Chief Executive Officer is to be Chair of the Steering Group supported by officers and specialists to consider the Plan and prioritize the performance measures identified. The Plan by its very nature is mainly of an operational nature. Dependent on the issues being addressed, involvement in administrative practices via Codes of Conduct or administrative laws applicable from time to time may not be applicable. This convention should not however prohibit oversight of the works undertaken where applicable. The Plan thus identifies reports to ARIC or the Council and the timeframes to achieve this.

The author is conscious of the workload of the Chief Executive Officer, which should also be looking outside the business as well as managing the business itself.

The recommendation was made in the Health Check agenda report for the Chief Executive Officer to work with Council and consider an additional resource to support the Chief Executive Officer through an organisational realignment, and this person would be a key member of the Steering Group. In the interim, a sum of funds was allocated to the Office of the Chief Executive Officer in the mid-year budget review to support the establishment of mechanisms to get the Plan underway.

Adoption of the Plan as a Key Result Area for the Chief Executive Officer.

The author is conscious that there have been several reviews undertaken over several years, and yet some trends continue to remain of a similar nature and have caused frustration with Council.

This report recommends that the Plan be a specific Key Result Area for achievement with developed Key Performance Indicators for the Chief Executive Officer, and thus Directors, Managers and officers. Further, a reinvigorated performance appraisal system is enhanced clearly managing these risks and functions and reported to Council as part of the annual performance review of the Chief Executive Officer.

Reporting achievement or progress to the Audit Risk and Improvement Committee (ARIC)

It appears clear that a level of frustration has existed for clear reporting mechanisms for Council oversight. The role of Council is explicit and identified in the Local Government Act section 2.7 as identified in the legislative provisions of this report. Fundamentally, the Council governs the affairs of the local government and oversees the finance and resource allocation of the local government. This body is responsible for the functions of the local government. This must also recognise the responsibility of the CEO in accordance with statutory obligations under the Local Government Act and supported Regulations and other obligations at law.

The Plan therefore identifies a series of improvements in relation to reporting mechanisms to ARIC and therefore Council. These include but are not limited to a need to *refresh* or *review* provisions as contained in the Plan. It is important that an open and transparent approach is taken with Council within the spirit of which the Plan details a need for improvement in reporting and transparency and thus the penultimate reporting to the community.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of high significance, because:

- Significant - A decision that will significantly affect the capacity of the Council to carry out any activity identified in the strategic plan.

CONSULTATION

Internal
Commissioners

External Agencies

Local Government Monitor

Community

The Forward Improvement Plan also seeks to consider community expectations as identified in the Community Perceptions Survey.

LEGISLATION AND POLICY CONSIDERATIONS

2.7. Role of council

- (1) The council governs the local government's affairs and, as the local government's governing body, is responsible for the performance of the local government's functions.
- (2) The council's governing role includes the following —
 - (a) overseeing the allocation of the local government's finances and resources;
 - (b) determining the local government's policies;
 - (c) planning strategically for the future of the district;
 - (d) determining the services and facilities to be provided by the local government in the district;
 - (e) selecting the CEO and reviewing the CEO's performance;
 - (f) providing strategic direction to the CEO.

5.41. Role of CEO

- (1) The CEO, as the local government's chief executive officer, is responsible for managing the local government's administration and operations.
- (2) The CEO's executive role includes the following —
 - (a) causing council decisions to be implemented;
 - (b) managing the provision of services and facilities that the council has determined the local government is to provide in the district;
 - (c) determining procedures and systems for —
 - (i) implementing the local government's policies as determined by the council; and
 - (ii) otherwise managing the local government's administration and operations;
 - (d) being responsible for the employment, management, supervision, direction and dismissal of other employees

(subject to section 5.37(2) in relation to senior employees);

(e) ensuring that records and documents of the local government are properly kept for the purposes of this Act and any other written law.

(3) The CEO is the council's principal advisor and, as such, does the following —

(a) advises, and procures advice for, the council in relation to the local government's affairs and the performance of the local government's functions;

(b) ensures that the council has the information and advice it needs to make informed and timely decisions.

(4) The CEO —

(a) liaises with the mayor or president on the local government's affairs and the performance of the local government's functions; and

(b) speaks on behalf of the local government if the mayor or president agrees.

(5) The CEO performs any other function specified or delegated by the local government or imposed under this Act or another written law as a function to be performed by the CEO.

[Section 5.41 inserted: No. 47 of 2024 s. 50.]

FINANCIAL AND RESOURCE IMPLICATIONS

Recommendations have been made within the Plan that independently address additional resources to support the Chief Executive Officer. Some of these provisions should be considered during budget deliberations so that savings can be made in some areas of the business to fund these considerations. An allocation of up to \$300,000 has been made in the mid-year review to assist the Chief Executive Officer to strategically resource the recommendations and undertake these functions with the newly elected Council to the end of this financial year.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

Not applicable

Environmental

Nil

Economic

Nil

Social

Nil

Access and Inclusion

The following outcomes of the Town’s *Access and Inclusion Plan 2023-2026* apply in relation to this item:

Nil

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Financial Compliance Reputational
Cause	Identified, systemic weaknesses in governance, leadership oversight, internal controls, procurement practices, contract management, asset management, workforce governance and enterprise systems, as outlined in the Forward Improvement Plan.
Effect (Consequence)	Failure to address the identified issues may result in continued financial inefficiencies, non-compliance with legislative and regulatory obligations, ineffective service delivery, increased exposure to audit findings, and ongoing reputational damage to the Town.
Risk Treatment	Treat / Transfer through the development and implementation of a Chief Executive Officer Remediation Roadmap, strengthened governance oversight, and engagement of independent assurance and advisory support.
<p>There is an Operational risk associated with this item caused by systemic governance, leadership, and control weaknesses identified through the Forward Improvement Plan, leading to financial inefficiencies, compliance risks, reduced organisational effectiveness, and potential reputational harm to the Town.</p> <p>The risk rating is considered to be High (10), which is determined by a likelihood of Possible (3) and a consequence of Major (4).</p> <p>This risk will be treated and partially transferred/shared through the development and implementation of a Chief Executive Officer Remediation Roadmap, strengthened executive and Council oversight, and the use of independent external advisors and assurance mechanisms.</p>	

OPTIONS

- Option 1 – Adopt officer’s recommendation
- Option 2 – Amend officer’s recommendation
- Option 3 – Do not adopt officer’s recommendation

CONCLUSION

This report details a Forward Improvement Plan for Council. The preparation of which is predominantly formed from a Health Check review undertaken by Moore Australia (WA) Pty Ltd under instruction of the Temporary Chief Executive Officer.

The Plan identifies a roadmap going forward that clearly sets out a timeframe and reporting mechanism that is to be undertaken by the Chief Executive Officer with key components to be reported to ARIC and Council.

The report seeks to clearly identify that some core functions need review or renovation, and this remediation to be undertaken in consultation with ARIC and the Council, providing a clear remediation roadmap for the Chief Executive Officer.

It should be noted that the report details areas of improvement and its scope was intended as such in the review cycle. It does not recognise the exceptional work undertaken by some staff that are very committed to learning and change and have the Town's wellbeing at heart.

ATTACHMENTS

Forward Improvement Plan