



UNCONFIRMED MINUTES

Ordinary Council Meeting

Wednesday 27 May 2026

Date: Wednesday 27 May 2026

Time: 5:30 pm

**Location: 13 McGregor Street,
PORT HEDLAND WA 6721**

Distribution Date: 10/06/2026

The Chief Executive Officer recommends the endorsement of these minutes at the next Ordinary Council Meeting.

Signed: _____ Date: _____

These minutes were confirmed at the Ordinary Council Meeting held on/...../.....

Signed: _____ Date: _____

(Presiding Person at the meeting which minutes were confirmed)

1	Opening of Meeting	4
2	Acknowledgement of Traditional Owners and Dignitaries	4
3	Recording of Attendance	4
3.1	Attendance.....	4
3.2	Attendance by Telephone / Instantaneous Communications	5
3.3	Apologies.....	5
3.4	Approved Leave of Absence.....	5
3.5	Disclosures of Interest	5
4	Applications for Leave of Absence	7
5	Response to Previous Questions.....	9
5.1	Response to Questions taken on notice from Elected Member at the Council Meeting held on 29 April 2026	9
5.2	Response to Questions taken on notice from Public at the Council Meeting held on 29 April 2026.....	10
6	Public Time.....	12
6.1	Public Question Time.....	12
6.2	Public Statement Time	21
6.3	Petitions / Deputations / Presentations / Submissions.....	23
7	Questions from Members without Notice	23
9	Declarations of All Members to have given due consideration to all matters contained in the Business Paper before the Meeting	25
10	Confirmation of Minutes of Previous Meeting	26
11	Reports of Committees.....	27
11.1	Audit, Risk and Improvement Committee	27
11.1.1	Risk Appetite Statement Review	27
12	Reports of Officers	32
12.1	Corporate Services	32

12.1.1 Statement of Financial Activity - April 2026 32

12.1.2 Council Plan Progress Report - FY2025/2026 Q3..... 36

12.1.3 Policy Review Program..... 41

12.2 Community Services.....45

12.2.1 South Hedland Aquatics Facility 45

12.3 Regulatory Services.....54

12.3.1 Economic Development & Tourism Strategy - Progress Report 54

12.3.2 Local Housing Strategy- Endorsement for Advertising 62

12.3.3 Visitor Centre Quarterly Report - Quarterly Report 3: January - March
2026..... 69

12.3.4 Local Planning Policy - Kingsford Smith Business Park Design Guidelines -
Endorsement..... 74

12.3.5 Key Worker Housing Project..... 78

12.4 Infrastructure Services104

12.4.1 Rose Nowers Early Learning Centre Expansion 104

12.5 Executive Services.....115

12.5.1 Forward Improvement Plan - Remediation Plan Update..... 115

13 New Business of an Urgent Nature (Late Items)121

14 Motions of Which Previous Notice has been given.....121

15 Matters for Which Meeting May be Closed (Confidential Matters).....121

16 Closure121

16.1 Date of Next Meeting121

16.2 Closure121

1 Opening of Meeting

The Presiding Member declared the meeting open at 5:33pm.

2 Acknowledgement of Traditional Owners and Dignitaries

The Presiding Member acknowledged the Kariyarra people as the Traditional Custodians of the land that we are meeting on and recognised their strength and resilience and paid respect to elders, past and present.

3 Recording of Attendance

Important note:

This meeting was live-streamed and audio recorded to facilitate community participation and for minute-taking purposes, which may be released upon request to third parties. In accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders members of the public are not permitted to use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the Presiding Member to do so. Members of the public were also reminded that in accordance with section 6.17(4) of the Town of Port Hedland Standing Orders Local Law mobile telephones must be switched off and not used during the meeting.

3.1 Attendance

Members:

Mayor Jacinta Behrend
Deputy Mayor Troy Melville
Councillor Rachael Baxter
Councillor Lorraine Butson
Councillor Frank Edwards
Councillor Zoe Little
Councillor Russell McDowall
Councillor Sharon Todd

Administration:

Dale Stewart (Chief Executive Officer)
Alison Banks (Director Community Services)
Lee Furness (Director Infrastructure Services)
Chaz Roberts (Acting Director Regulatory Services)
Florian Goessmann (Acting Director Corporate Services)
Renaë Doyle (Manager Governance)
Rhiannon Smith (Acting Governance Advisor)
Sophie Marlow (Acting Governance Officer)

Other:

Andrew Hammond (Local Government Monitor)

Members of the Public:

Nine

3.2 Attendance by Telephone / Instantaneous Communications

Andrew Hammond (Local Government Monitor)

3.3 Apologies

Nil

3.4 Approved Leave of Absence

Councillor Edwards 29 April 2026 to 29 May 2026.

Councillor Edwards however was in attendance.

3.5 Disclosures of Interest

Name	Item No	Interest	Nature
Mayor Behrend	12.3.1	Impartiality	<p>I hereby declare an impartiality interest in this item as I am employed by Fortescue in the role of Yard Supervisor and note that this role has no influence in the contribution referenced in the report and nor does the report involve any matters requiring an approval involving my employer.</p> <p>I also declare that I will consider this matter on its merits and will remain impartial on all deliberations on this matter.</p>
Mayor Behrend	12.4.1	Impartiality	<p>I hereby declare an impartiality interest in this item as I am employed by Fortescue in the role of Yard Supervisor and note that this role has no influence in the contribution referenced in the report and nor doe the report involve any matters requiring an approval involving my employer.</p> <p>I also declare that I will consider this matter on its merits and will remain</p>

				impartial on all deliberations on this matter.
Deputy Melville	Mayor	12.3.1	Impartiality	<p>I hereby declare an impartiality interest in this item as I am employed by BHP in the role of Team Leader and whilst I hold shares in this company above the prescribed value, I note that my role has no influence in the contribution referenced in the report and nor does the report involve any matters requiring an approval involving my employer nor do I perceive it will impact the share price of the company.</p> <p>I also declare that I will consider this matter in its merits and will remain impartial on all deliberations on this matter.</p>
Deputy Melville	Mayor	12.3.5	Financial	<p>I hereby declare a financial interest as I am employed by BHP in the role of Team Leader and I hold shares in this company above the prescribed value.</p>
Deputy Melville	Mayor	12.4.1	Impartiality	<p>I hereby declare an impartiality interest in this item as I am employed by BHP in the role of Team Leader and whilst I hold shares in this company above the prescribed value, I note that my role has no influence in the contribution referenced in the report and nor does the report involve any matters requiring an approval involving my employer nor do I perceive it will impact the share price of the company.</p> <p>I also declare that I will consider this matter in its merits and will remain impartial on all deliberations on this matter.</p>

4 Applications for Leave of Absence

CM202627/170 COUNCIL RESOLUTION**MOVED: Cr Butson****SECONDED: Cr Todd**

That Council approve the application of leave of absence for Deputy Mayor Troy Melville for the period 22 June until 13 July 2026.

CARRIED BY SIMPLE MAJORITY (8/0)

*For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards,
Cr Little, Cr McDowall and Cr Todd*

Against: Nil

CM202627/171 PROCEDURAL MOTION**MOVED: Mayor Behrend****SECONDED: Cr Baxter**

That Council amend the 27 May 2026 Ordinary Council Meeting Order of Business as set out in Council Policy 1/017 to deal with Item 8 'Announcements by the Presiding Member without Discussion,' before Item 5 'Response to Previous Questions' at 5:40pm.

CARRIED BY SIMPLE MAJORITY (8/0)

*For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards,
Cr Little, Cr McDowall and Cr Todd*

Against: Nil

8 Announcements by Presiding Member without Discussion

This is my first time chairing an Ordinary Council Meeting as Mayor, and I'd like to take this opportunity to welcome everyone to the meeting including everyone in the gallery and those watching at home. I'm proud to represent the Hedland ratepayers and wider community as your Mayor.

I am passionate about restoring community confidence and trust in the decision-making process of Council. We all want to see the Town progress in a sustainable and responsible way. We are the economic heartbeat of the Nation, but there is a lot of work ahead of us to ensure we have the services, programs and events to make Hedland a more attractive place to work and live into the future.

I would like to share some events and meeting that has happened this week. National Reconciliation Week, held each year from 27 May to 3 June, is a time to reflect, learn, and recommit to reconciliation in Australia.

This year's theme, "All In," is simple but powerful. It reminds us that reconciliation isn't something we can simply observe, it calls for each of us to take action. It is a shared responsibility, where we move forward together by honestly acknowledging the past and the impact it continues to have today.

It means ensuring that the responsibility for reconciliation does not rest solely with Aboriginal and Torres Strait Islander peoples, who have carried that burden for far too long, but with all of us working collectively to create a more respectful, just and inclusive future. Earlier this month the WA Government handed down its Budget, and there were a number of commitments that were positive for Hedland and the Pilbara. The Seven Cities plan recognises Hedland as a key regional area for WA, and the investment in GROH housing is something the Town has long advocated for.

Opening up residential housing lots in the South Hedland Western Edge will also help ease housing accessibility – which we know has been a handbrake on growth. Other investment in health and education services and infrastructure is also welcome. Premier Roger Cook's Budget breakfast in Port Hedland outlined the vision, and now we will be working hard to ensure our advocacy sees this vision become reality.

I had the pleasure to provide an official welcome at the Celebrate Hedland event last Friday. What an amazing turnout – with up to 2000 people attending at the JD Hardie Youth and Community Hub. There were more than 60 stallholders from across community and industry groups showcasing the very best Hedland has to offer. This was the first time the event has been held at the JD and there were plenty of activities for children and families. Events like this reinforce community connection and pride, thanks to Horizon Power who is our major partner for Celebrate Hedland.

There was a huge turnout with almost 500 people and 30 local stakeholders at the World's Biggest Play Day event last week. It was a highly engaging, inclusive event with a wide range of free, family friendly activities including arts and crafts, outdoor play, a sensory inclusion zone and interactive experiences, creating a welcoming

environment for ages 0-5 years. The event highlighted strong local collaboration, with 30 organisations engaging directly with the community and providing services, information and support

Events like this reinforced the Town’s commitment to fostering connection, inclusion and wellbeing, aligned with the objectives of National Families Week and strengthening community spirit in Hedland.

The Mayor’s meetings for the month of April 2026:

DATE	MEETING DETAIL	ATTENDANCE
17.04.2026	External Stakeholder	Minister Stephen Dawson Simon Taylor Trish Barron Deputy Mayor Melville T/CEO Kenneth Donohoe Acting Manager Public Affairs
22.04.2026	External Stakeholder	Hon Julie Freeman MLC Shane Love MLA Holly Freeman Courtney Bayliss T/CEO Kenneth Donohoe Acting Manager Public Affairs

5 Response to Previous Questions

5.1 Response to Questions taken on notice from Elected Members at the Council Meeting held on 29 April 2026

5.1.1	Councillor Lorraine Butson
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Question 1:

A number of community members have approached me regarding the upcoming markets to be held downtown. Food van vendors have queried why there is a \$60 fee to operate at the event. Additionally, they have asked why they are required to be onsite at 1:30pm for inspection for a 5:00pm event start.

The Acting Director Regulatory Services provided the following response:

The \$60 fee relates to event participation and not Regulatory Services Environmental Health trading fees. Environmental Health only applies Trading in Public Places fees where a vendor is seeking a permit to trade without an existing annual Town permit,

and where the applicant is not a community group or not for profit. The Town's Community Services Directorate response currently addresses the event fee arrangements.

Food van inspections are a statutory requirement under the Food Act 2008 and are essential to protect public health. Food vans are considered a higher risk due to restricted space, temperature control challenges, and increased exposure to dust and pests. Historically, inspections conducted during events have resulted in some vans being required to cease trading due to serious noncompliance, which is disruptive once the event is underway.

Following feedback from event organisers, the Town now requires an earlier bump in so inspections and any necessary compliance actions can be completed before the event opens to the public. Licensed vans with a strong compliance history typically receive a brief visual check or may not require inspection at every event. Vans with no inspection history or a record of non-compliance are inspected prior to each event. Environmental Health Officers will continue to carry out event inspections to ensure food safety risks to the community are appropriately managed.

5.2 Response to Questions taken on notice from Public at the Council Meeting held on 29 April 2026

5.2.1	Roger Higgins
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Question 1:

I have noticed tonight that there is an additional portrait displayed alongside King Charles III. My question is, who is this portrait of, what is its purpose, and why is it on display?

The Chief Executive Officer provided the following response:

The portrait depicts Captain Peter Hedland (Lars Peter Hedlund, born Sweden 1829 – died Western Australia 1881), after whom Port Hedland is named.

Captain Hedland was an early pearler and trader associated with the area. While the town bears his name, Port Hedland does not have a single recognised 'founder'. European settlement developed progressively following exploration, on land traditionally cared for by the Kariyarra people. In recognition of its historical significance, the portrait is being displayed in the Town's front reception area alongside other historical items, providing community members with accessible context about Hedland's early history.

5.2.1	Ash Christensen
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Question 1:

In relation to the financial impact of Item 12.4.1, being the tender for the wastewater treatment plant. When Council originally approved the upgrade and construction of the new South Hedland Landfill Wastewater Treatment Plant, a business case was presented that included a projected return on investment, along with assumptions regarding operating costs, revenue, and cost recovery through user fees. In the report currently under consideration tonight, Council is being asked to enter a contract of up to seven years, with ongoing operational costs. However, there appears to be no reference to the original business case or whether these costs align with the initial financial assumptions. Can the administration please provide context as to whether the proposed contract costs are consistent with the original business case and return on investment projections presented to Council at the time, and outline what impact these ongoing operational costs will have on the asset's financial performance, including any implications for the waste reserve, future expenses, and associated fees?

The Director Infrastructure Services provided the following response:

A business case was not prepared for the pond liner. In May 2024, the OCM considered RFT 2324-23 South Hedland Landfill Infrastructure Works. The tender consisted of two parts, a community Transfer and Recycling Centre and Evaporation Pond Liner replacement at the Wastewater treatment Plant. It was recommended by staff that the pond liner be funded through borrowings. At the meeting the Council resolved to only award the evaporation pond liner as part of the Tender and to not obtain loan funds but rather fund the project from the waste reserve. The budget for the project was \$3.23 million.

The Wastewater Treatment Plant accepts liquid waste from businesses and camps. In 23/24 \$1,835,024 and in 24/25 \$2,277,157.07 was transferred to the Landfill Establishment Reserve, being the surplus generated from the Wastewater Treatment Plant. The Landfill Establishment Reserve will be used to establish the new landfill at Boodarie. There are approximately 20-25 years of life in the existing landfill. The cost of a new landfill is expected to be between \$50 to \$70 million dollars.

5.2.1	Jillian Fisher
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Question 1:

Why was there no increase in rates proposed for the airport?

The Acting Director Corporate Services provided the following response:

The rate in the dollar proposed for FY 2026/2027 for the airport reflects a 5% increase. However, the total rates payable by the airport are dependent on the property valuation determined by Landgate. Following a revaluation in FY 2025/26, the airport was assessed at a lower value than previously. As a result, the combined effect of the

reduced valuation and the higher proposed rate in the dollar is that the total rates charge for the airport in FY 2026/2027 is expected to remain consistent with FY 2025/2026.

5.2.1	Jan Gillingham
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Question 1:

Recently with the big high tides there has been so much iron ore from our harbor washing along the beaches, etc. It's very noticeable that at low tide there is a lot of cover over the reef. Could we ask that the Town of Port Hedland seek more studies into how that our reef can be further protected and respected by our mining counterparts?

The Acting Director Regulatory Services provided the following response:

Monitoring and protection of the Port Hedland intertidal reef is delivered through the Pilbara Ports Marine Environmental Quality Management Plan (MEQMP) and involves ongoing assessment and reporting on marine water and sediment quality in and around the Port of Port Hedland.

Ongoing assessment of monitoring data is completed to map trends and ensure critical environmental values are being protected.

Pilbara Ports publicise an annual report card detailing performance against the MEQMP which can be accessed at www.pilbaraports.com.au

6 Public Time

Important note:

In accordance with section 6.7(3) of the Town of Port Hedland Local Law on Standing Orders, members of the public are required to complete a question form and place the completed form in the tray provided.

If the Presiding Member determines that questions and statements are out of order due to the use of an offensive or objectionable expression or are defamatory, they will not be recorded or responded to.

6.1 Public Question Time

The Presiding Member declared Public Question Time open at 5:47pm.

6.1.1	Graeme Cruickshank (<i>Online Submission</i>)
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Question 1:

Has the Town of Port Hedland reviewed the repair and maintenance of ABC radio tower relay?

The Acting Director Corporate Services provided the following response:

The Town acknowledges that the ABC Triple J and ABC Classic FM rebroadcast infrastructure has experienced failures due to deteriorated condition, including recent impacts from severe weather events. The services have since been repaired and partially restored.

The Town is currently reviewing the long-term maintenance and management of the station infrastructure. As part of this process, the Town is engaging with relevant stakeholders, including the Australian Broadcasting Corporation (ABC), to seek advice and support to ensure a sustainable and appropriate future approach.

In the interim, both stations are accessible to the community to stream through the ABC website. Further updates will be provided to the community once this review is complete.

6.1.2	Ash Christensen
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Question 1:

What is the status of the recent expression of interest (EOI) undertaken by the Town for the future use, management or lease of the South Hedland Bowling and Tennis Club facility?

The Director Infrastructure Services provided the following response:

Those who submitted an EOI were given an interim update in November. We are now just working internally to what our options are. We are about to let a tender for the design that we need to refurbish. The refurbishment is likely to be finished early next year.

Question 2:

When will the Council bring forward a motion to make Ordinary Council Meeting briefings open to the public?

The Chief Executive Officer provided the following response:

I think that is a valid question in terms of the perception of accountability and transparency. I am aware as a long-serving CEO that many other Local Governments do have public pre-agenda briefing sessions. I think all elected members here have heard that question, it's for the Council in subsequent meetings to determine whether that is something they wish to do, by changing Council's `1/019 Council Meetings and Forums' policy on briefings. They can do that at any time through a motion or if officers feel it is appropriate by a report. We can certainly discuss that as an elected body with the elected leadership team in coming weeks.

Question 3:

Can the administration explain what resourcing, prioritisation framework, delivery capacity assessment and measurable service baselines have been established to support the workload of the Council Plan strategic review of the Community Services Directorate? What existing work has been deferred, reduced or stopped to make these commitments realistically achievable?

The Chief Executive Officer provided the following response:

That will require a little bit of research to answer that in full and we'll take that on notice.

6.1.3	Roger Higgins
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Question 1:

Item 12.3.5 Key Worker Housing Project page 70 states that the project does not impose an additional burden on rate payers. Can an explanation be provided to how that conclusion was made when the project requires \$22.5 million from the strategic reserve and creates a new housing asset that must be maintained and managed over its lifetime?

The Chief Executive Officer provided the following response:

Our analysis and the modelling show that the expense and income associated with managing the houses will be cost neutral. On that basis, we've determined that there will be no burden on the ratepayers going forward with direct operating costs. In our view as the Administration and from previous elected members and Councils, we have taken the view that the conversion of cash sitting in a strategic reserve albeit limited to a certain value, will be of strategic benefit and increase the capital base with the capital value of that asset in time and therefore won't be a burden on ratepayers.

Question 2:

Can you provide the key life cycle assumptions underpinning the business case of this project including the annual maintenance expenditure, major renewal costs, insurance escalation costs, cyclone resilience requirements, corrosion management and asset replacement schedules and expected residual asset condition after 20 years?

The Acting Director Regulatory Services provided the following response:

The business case is a confidential attachment, but I can provide some of the figures and the underlying assumptions. The amount used for maintenance per dwelling for the first five years is \$5,000 per dwelling per year and thereafter \$25,000 per dwelling per year from year 5 to year 20. In terms of the depreciable lifespan of a residential asset, it is 40 years for tax purposes, we have used the halfway mark being the 20-year mark to underpin the optimal time of sale in terms of the return that we would get for disposal of the assets at that 20-year term. There may be options at that time to sell the property as one lot with multiple dwellings, or to strata and sell the dwellings

over a staggered period, probably 2 to 3 years to not flood the market with the same product.

Question 3:

Has it been calculated how much interest income the Town would lose by removing that \$22.5 million from the strategic reserve and how would that loss be recovered?

The Director Infrastructure Services provided the following response:

The strategic reserve is to be repaid by quarantining the new rate growth for the period until that \$22.5 million is repaid. That is likely to be between 4 to 5 years.

6.1.4	Jan Gillingham
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Question 1:

Item 12.3.5 Key Worker Housing Project page 66 states that no final operating model has yet been appointed. Can you explain how the financial modelling, rental assumptions, operating costs, governance arrangements and risk allocations within the business case have been validated without knowing the final operating model?

The Acting Director Regulatory Services provided the following response:

The business case attached to this item I believe is version 3 or 4. It has been updated with the preferred tender details in terms of the construction cost of the project and number of dwellings. The operating assumptions in the business case are based on the community housing provider model which forms part of the recommendation. Preliminary discussions have occurred with local community housing providers and very high-level costings have been used to underpin the business case.

Question 2:

Can you identify which key elements of the operating model remain unresolved such as management fees, vacancy risk, performance KPIs, rent setting powers, allocation of authority, reporting requirements, dispute management processes and termination provisions?

The Acting Director Regulatory Services provided the following response:

Those items are addressed in the agenda, specifically the start of the detail section from pages 65 through to page 68. They did form part of the commissioner's recommendation, to address those matters when the item was presented to them at the December 2025 Ordinary Council Meeting.

The Chief Executive Officer provided the following comment:

Further there is a part 3 of the recommendation that would authorise the CEO to negotiate some of those outcomes with further Council consideration. Whilst we have high level advice in relation to all those answers and questions, there is a further opportunity for the Council to consider the detail following negotiation, should the Council resolve the officer's recommendation 3 part 2.

Question 3:

If Council approves the project then later determines that the preferred operating model is unacceptable or not financially viable, what practical options remain available? Given the land has been purchased and the construction contract has already been awarded.

The Acting Director Regulatory Services provided the following response:

The Town received legal advice on the options available for management of the facility, that ranked the most to least preferred. It is likely if negotiations were to fall over at the operating model, a report would be brought back to Council recommending the second option. Which is to look at a real estate based management model, we haven't recommended that because a real estate model is not set up necessarily to manage affordable housing, whereas a community housing provider have the governance processes in place already to manage that type of product.

6.1.5	Adrian McRae
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Question 1:

Item 12.3.5 Key Worker Housing Project page 63, officer's recommendation 1 part 3 recommends awarding the tender subject to completion of due diligence to the satisfaction of the CEO. Can you provide a detailed list of all due diligence activities that remain outstanding including what specific matters are yet to be verified before you're satisfied that due diligence has been completed?

The Chief Executive Officer provided the following response:

We have discussed that at Executive Leadership Team, I will hand over to the Director Infrastructure Services.

The Director Infrastructure Services provided the following comment:

Many due diligence activities have been undertaken, that includes credit checks, director's checks and company reference checking. We will update those prior to letting the contract.

Question 2:

What objective criteria or measurable standards will be used to determine whether the due diligence has been successfully completed and who will independently verify those outcomes?

The Chief Executive Officer provided the following response:

I'm sure we will develop that criteria. Off hand, I'm not sure of what that criterion is. In terms of any property advice regarding satisfaction of the due diligence, we have previously had a property advisor on board to assist us. I would be encouraging and requiring a property advisor providing advice on our assessment for internal satisfaction.

Question 3:

If significant concerns are identified relating to cost, delivery, compliance, capability, funding or risk. Does the CEO have the authority to alter the project materially alter the project without returning to Council and under what circumstances would the matter be brought back to Council for consideration?

The Chief Executive Officer provided the following response:

I don't believe I would take that upon myself if I'm not satisfied. The resolution to my mind proposed is if the CEO is satisfied. If I am not, through either that probity advice, my own independent advice or experience and with advice of the ELT at the time, I will certainly be referring that back to Council with very minor variations if any.

6.1.6	Merryn Browning
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Question 1:

Item 12.3.5 Key Worker Housing Project, can someone clearly identify the categories of people currently being considered eligible for these dwellings?

The Acting Director Regulatory Services provided the following response:

The eligibility criteria will be developed with the operating model. What we are certain of is that state government and resources sector employees will not be eligible to occupy the dwellings. It would likely focus sectors such as hospitality, retail, childcare, those who are genuinely priced out of the market. There are other local governments that do have quite well-developed eligibility criteria which we would look at to see how they are set up. Ensuring they are occupied by the sectors the houses are intended for.

Question 2:

What governance framework will be used to determine eligibility and priority access? What safeguards will be put in place to ensure allocation decisions are transparent, equitable and free of political influence?

The Acting Director Regulatory Services provided the following response:

Things that would be included in that eligibility criteria would include income thresholds. There will be a mix of 1, 2 and 3 bedroom dwellings, mostly 1 or 2. It would be determined through the operating model how the decision-making works. We would seek to ensure that each sector and most need is represented in that eligibility criteria, it's likely to be managed by an external provider so that it is and the process is clear.

Question 3:

If Council or the community ultimately disagree with the proposed eligibility and allocation framework after the project has been approved and contracted. What ability does Council have to change direction, without materially impacting the viability of the project?

The Acting Director Regulatory Services provided the following response:

The way we have looked at the operating model component of this recommendation is through the legal advice. We can go directly to a community housing provider to have these negotiations. However, the reality is if the tender is awarded tonight for the design and construction of the project, we will have 18 to 24 months to confirm that operating model during the construction period. The plan would be if endorsed tonight, to use that first 12 months to see if we can get an agreement with the with the provider and to bring that back to Council with all the detail. If Council is dissatisfied with the operating model or any of the criteria, then it would be on them to decide whether it's appropriate to adopt, or to direct the CEO and administration to move to plan B.

6.1.7	Renae Coles
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Question 1:

Can you explain how you are satisfied that Council has been asked to make a financially and strategically sound decisions, when key elements such as the final operating model, long-term cost exposure and governance reforms are still in development or incomplete?

The Chief Executive Officer provided the following response:

I think the Acting Director Regulatory Services provided advice in the previous questions relevant to the gateways that exist, including the fact that we've got 18 to 24 months for the satisfaction of those choices, which could include internally operating, a real estate model or external providers. We have got satisfaction and the Council should have satisfaction with the fact that this can come back to Council those aspects. We are of the view that it is appropriate and reasonable for this Council after briefing the matter, for it to come to Council tonight.

Mayor Behrend provided the following comment:

Further to the CEO's answer, we do have our agenda feedback sessions and briefings, these topics are hot topics. They are very important to our community. we have been robustly discussing, and we will do so further again tonight through debate.

Question 2:

Given that you have recently returned after a significant period away, what briefings, independent advice and assurances have you personally relied on to reach confidence with the potentially supporting these recommendations in such a short time frame?

Mayor Behrend provided the following response:

Council has regular briefing sessions, and we increase the frequency of them as we require further information or discussion. We would not bring this to the meeting if we felt we hadn't reached a point where we could deliberate and vote to decide on this. I feel confident that if I was concerned as a member of Council that we would not be here, and I think the other members feel similar.

Question 3:

Can the Town provide the full laboratory testing results and formal waste classifications for all materials removed from the former waste treatment pond in accordance with the Environmental Protection Authority of Western Australia guidelines.

The Director of Infrastructure Services provided the following response:

The waste from the pond was tested and it met the criteria, however I can get further information for you.

6.1.8	Jillian Fisher
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Question 1:

Item 12.3.5 Key Worker Housing Project recommendation seeks the approval for up to \$20,000 for international travel to support contract execution and quality assurance. Can the Mayor define what activities are included and what outcomes would justify overseas travel in a particular situation like this?

The Director Infrastructure Services provided the following response:

We would require international travel to at certain points in the construction, check the quality and ensure the product is meeting Australian certification standards. That all the fittings are appropriate and the way the modules are being developed are to the required standard, I think that that is necessary for us to be assured of the product that is coming into for this project. I spoke with a number of people who have undertaken large modular projects, they believed that it was necessary to keep on top of it and to have that assurance yourself, that the product that you are buying is of the quality specified.

Mayor Behrend provided the following comment:

Further to the purposes noted by the director, the \$20,000 is a maximum budget, if it were to fall short of that, great. There is a maximum of 2 representatives per trip, ensuring the most competent people are to travel for specialised reasons.

Question 2:

Why wouldn't that be covered in the due diligence part of the project?

Mayor Behrend provided the following response:

From my perspective, throughout the project, there's a due diligence component. As a Council we discussed what the best way is to monitor that, seeking feedback from the staff.

The Chief Executive Officer provided the following response:

It was debated and discussed as an Executive Leadership Team and thereafter workshopped with the Elected Members. The example goes to the due diligence prior to awarding a contract but also post-award. In this context, the travel whether it be to Vietnam or via Hong Kong, to where they're proposed to be built. I acknowledge that international travel could be considered as being extravagant, but we want to contextualise that as being to the country of manufacture and at the appropriate time. Whether it be pouring of slabs, the erection of the windows, that's the due diligence at the time where certainly it gets to plate height or installation of those fittings as the director referenced. There is due diligence during construction, where we release payments whether it be 10%, 40%, 80%, etc and prior to transport to Australia as a finished product, to being placed and constructed on the land.

Question 3:

Is there any sort of restrictions or at least investigations for Australia made and supporting Australian industry?

The Director Infrastructure Services provided the following response:

There will be a variety of local trades that will be required once the modules arrive in Australia. The company is part owned by an Australian and several of the directors are Australian. While part of the project construction is based in Vietnam, all the fitting and the construction completion will require Australian industry.

Question 4:

Has the CEO selected on a preferred tenderer?

The Chief Executive Officer provided the following response:

There were a number of tenderers that submitted through both a pre-qualification process and final process. We have settled on a preferred recommended contractor, yes.

Question 5:

Are there any third-party inspection services or remote verification that could be used instead of sending contingent from the Council?

Mayor Behrend provided the following response:

It plays into the whole package of how we're going to do our due diligence, through our inspection program.

The Director Infrastructure Services provided the following response:

It is likely that we will engage an external party that has experience in modular construction based in a foreign country to assist us with the quality assurance.

The Presiding Member declared Public Question Time closed at 6:28pm.

6.2 Public Statement Time

The Presiding Member declared Public Statement Time open at 6:28pm

6.2.1	Ash Christensen
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- Supported intent of key worker housing, not the current recommendation.
- Concerned key details (operating model, eligibility, due diligence) remain unresolved.
- Questioned \$10M BHP funding as transactional, not a true contribution.
- Noted loss of existing 80-room entitlement as a community asset.
- Raised concern that total Council contribution may be understated.

6.2.2	Adrian McRae
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- Clarified concerns relate to the election process, not Councillors or their legitimacy.
- Congratulated Councillors on their election and service.
- Raised concerns regarding electoral integrity and public confidence following the March 2026 election.
- Noted ongoing police investigation and pending court proceedings.

6.2.3	Jan Gillingham
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- Welcomed new CEO and acknowledged achievements in Narrogin.
- Noted expectation that experience will benefit Port Hedland.
- Requested early consideration of accommodation for retirees in Port and South Hedland.

6.2.4	Renee Coles
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- Noted 50th anniversary of SCES; requested Council support and recognition of volunteers.
- Highlighted concerns regarding transparency, governance, and financial risk.
- Raised issues with reliance on confidential attachments limiting community understanding.
- Questioned Council capacity to deliver major projects amid governance improvements.
- Sought clarity on long-term financial impacts, including operational and lifecycle costs.
- Questioned commitment to projects prior to final operating model being defined.

- Requested assurance on transparency, accountability, and risk management for ratepayers.
- Raised interest in governance and potential prior associations relating to project stakeholders.

6.2.5	Merryn Browning
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- Raised concerns regarding inconsistency in support for Australian-owned suppliers.
- Noted key worker housing project involves overseas-based company.
- Expressed support for project in principle, but emphasised need for local economic benefit.
- Raised concern about potential benefit to individuals with prior community concerns.
- Noted housing as a State Government responsibility.
- Requested transparency, accountability, and community interest be prioritised.

6.2.6	Jillian Fisher
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- Raised concerns about cost and value of Mining Cities Alliance membership \$40k.
- Highlighted opportunity cost, comparing to waste fee increases for ratepayers.
- Questioned value, performance, and transparency of the organisation.
- Called for stronger due diligence and financial accountability by Council.
- Emphasised need for greater transparency and visible debate in decision-making.

The Presiding Member declared Public Statement Time closed at 6:50pm

6.3 Petitions / Deputations / Presentations / Submissions

6.3.1	Developed Property Pty Ltd
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The Town received at late notice today an email request for a deputation from Developed Property Pty Ltd. It was received late via email, to be presented remotely and not in attendance. In accordance with Town of Port Hedland Standing Orders Local Law 2014, as CEO I determined that it was not appropriate to receive a deputation externally at such late notice. Further that Developed Property Pty Ltd have made a submission in relation to the item before today's agenda regarding Item 12.3.4 Kingsford Smith Development, which is in the attachments regarding one of the referenced respondents. Developed Property Pty Ltd have requested that the information was to be either by a deputation or circulated to elected members. We chose the latter and have circulated that to Elected Members.

The deputation request addressed three matters, in the email from the Acting Director Regulatory Services, it referenced how in our opinion as the Administration that we have included the concerns of the respondent Developed Property Pty Ltd in relation to fencing height and performance matters to what we believe should be to Council's satisfaction.

7 Questions from Members without Notice

7.1.1	Cr Lorraine Butson
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Question 1:

There are large potholes along the Wedgefield roads near MGM Bulk, I was wondering when they were going to be fixed?

The Director Infrastructure Services provided the following response:

We hadn't been made aware of those, but I will have someone look at them tomorrow.

Question 2:

At the last Council meeting, I asked if we could send a letter off to the State Government regarding their due diligence, compliance and occupational health and safety of the Hedland Govt Dental Clinic at Hedland Health Campus. Has been that been sent off, if so, have we received any information back?

The Acting Director Regulatory Services provided the following response:

I have engaged with the Director of WA Country Health Service of the infrastructure of the mobile dental van. It is on wheels, meaning technically it is not a building, so is not required to meet the National Construction Code with disability access ramps etc. I have raised the question around access for those to the facility and I am pending a response currently. I understand that provider is a contractor to the WA Department of Health and not a direct department asset.

Question 3:

Could a letter be sent to the Minister of Health?

The Chief Executive Officer provided the following response:

We will do so.

Question 4:

Who is responsible for the brick walls along Throssell Road at South Hedland Square shopping centre?

The Acting Director Regulatory Services provided the following response:

The question was taken on notice, with a detailed response to follow.

Question 5:

Does the Council have an age care or senior aging plan?

The Chief Executive Officer provided the following response:

I am of the belief that there is no age well-being plan in place. We have noted it as being what we would class as an aspirational plan that is identified as required and desired.

Question 6:

During Commissioner Riebeling's appointment to the Town of Port Hedland, a \$4 million budget was put into reserves towards the new retirement village?

The Director Infrastructure Services provided the following response:

That was taken out of the budget probably 5 years ago.

Question 7:

Is there going to be any plan in the near future for an aged care residential facility?

The Chief Executive officer provided the following response:

The Council in coming months will be receiving two workshops in relation to the Long-Term Financial Plan (LTFP) review, where there is the opportunity for Elected Members to consider such important matters in that LTFP and future capital projects. Similarly, in coming months the Council and certainly the Mayor and Deputy Mayor will be considering our advocacy plans, in relation to opportunities to address, perceived shortcomings with aged care services in the town as well.

The Acting Director Regulatory Services provided the following comment:

There is an item before Council tonight, 12.3.2 Local Housing Strategy - Endorsement for Advertising. In terms of the Housing Committee who has informed this strategy, the focus has been key worker housing. There are no express actions in the draft strategy regarding aged care, however if the Council endorsed the strategy to be further advertised, we could capture any submissions from community groups or those

who wish to advocate for aged care to be included in our approach, which would be brought back to Council with a final version of the strategy.

7.1.2

Cr Russell McDowall

Question 1:

Can we get an update on the Hedland Village Shopping Centre development, is there anything exciting happening?

The Acting Director Regulatory Services provided the following response:

The Town has received a written request from the developer to modify the deed to construct the project. The developer has been scheduled to attend a Council Briefing in June. Officers are likely to present an item to the June Ordinary Council Meeting on that matter.

9 Declarations of All Members to have given due consideration to all matters contained in the Business Paper before the Meeting

The following Elected Members confirmed by a show of hands:

Mayor Behrend
Deputy Mayor Melville
Councillor Baxter
Councillor Butson
Councillor Edwards
Councillor Little
Councillor McDowall
Councillor Todd

10 Confirmation of Minutes of Previous Meeting**CM202627/172 COUNCIL RESOLUTION****MOVED: Deputy Mayor Melville****SECONDED: Cr Butson**

That Council confirms that the Minutes of the Ordinary Council Meeting held on 29 April 2026 as a true and accurate record, subject to the amendment of:

The removal of Councillor Butson as being in attendance and voting for will similarly be made from that page. It will be noted, as confirmed, at the top of that page, her return at 7:29 pm. It will also be referenced on that same page when she returned after the vote had been taken, correctly as occurred.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

11 Reports of Committees

11.1 Audit, Risk and Improvement Committee

11.1.1	Risk Appetite Statement Review
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Author: Senior Audit, Risk & Insurance Advisor
Authorising Officer: Acting Director Corporate Services
Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

CM202627/173 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr Todd **SECONDED:** Cr McDowall

That Council adopt the reviewed Risk Appetite Statement, as shown in Attachment 1.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is to present the reviewed Risk Appetite Statement (RAS) for Council’s consideration and adoption.

The RAS was endorsed by the Audit, Risk and Improvement Committee (ARIC) at its meeting held on 12 May 2026 for submission to Council.

DETAIL

The RAS sets the level and type of risk the Town of Port Hedland (the Town) is prepared to accept in pursuit of its strategic and operational objectives. It provides a clear boundary between acceptable and unacceptable risk, supported by defined tolerances that act as practical indicators when risk positions are approaching, meeting, or exceeding defined limits. These tolerances serve as early warning points to prompt reassessment, targeted mitigation, and appropriate escalation.

The revised RAS also clarifies roles and decision-making responsibilities. Council is responsible for setting the Town’s overall risk appetite and establishing its expectations for oversight. In turn, the Chief Executive Officer is accountable for implementing these expectations through the Town’s risk management framework and ensuring they are embedded into day-to-day decision-making, reporting, planning, and service delivery.

Key updates:

1. Refinement of appetite terminology so that it is fully aligned to the Town's risk scoring bands and risk-acceptance approach. This includes replacing the former "Zero" category with a more accurate and practicable "Low" appetite category, while retaining clear "will not tolerate" positions for matters that carry significant legal, safety or community impacts.
2. The former "Project" category has been split into two separate categories, Project Schedule and Project Cost, to provide clearer accountability and more targeted monitoring of project-related risks. This update will be reflected in the Town's risk assessment and acceptance criteria, ensuring each dimension of project risk is assessed on its own merits as part of the upcoming review of the Risk Management Framework.
3. Updated appetite positions, drawing on insights from the recent strategic risk workshop held with Marsh and attended by the Executive Leadership Team (ELT) and Senior Leadership Team (SLT).

Attachment 2 contains the 2022 RAS, adopted by Council on 30 June 2022 (CM202122/225). **Attachment 3** contains the ELT Briefing Note outlining a detailed comparison between the 2022 and 2026 versions. These attachments have been marked confidential in accordance with s.5.23(4)(e) of the Local Government Act 1995, considering information the making public of which would be likely to endanger the security (including cyber-security) of any of the local government's property or operations.

Attachments outline internal risk tolerances, triggers, and escalation protocols. Public release could expose control boundaries, enable circumvention of compliance monitoring, and compromise operational/cyber security.

How tolerances and escalation will operate:

Tolerances translate the RAS into operational practice. When a tolerance is reached or exceeded, risk owners have a clear obligation to:

- Reassess the residual risk rating
- Identify and implement treatments where this is reasonably practicable
- Escalate the matter in accordance with the escalation pathway set out in the RAS

This approach ensures risks are managed proactively rather than reactively.

The RAS also aligns with a consistent risk-acceptance model based on residual risk level. This defines who can authorise acceptance of each risk category, the minimum monitoring required, and reporting frequency.

Implementation of the RAS will occur through the Town's risk registers, scheduled review cycles, and ongoing monitoring processes. If adopted, the updated appetite positions will be integrated into the Town's central risk management system, enabling automated comparison between actual residual risk ratings and the Town's stated appetite, and supporting more consistent oversight and reporting.

A full review of the RAS is planned every three years, or earlier if there are significant changes in the Town's operating environment, strategic direction, or overall risk profile.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance, based on its governance implications and the role of the RAS in guiding risk-based decision-making, escalation, and organisational assurance.

CONSULTATION

Internal

- Executive Leadership Team
- Manager Governance
- Manager Environmental Services
- Manager Financial Services
- Manager Public Affairs
- Principal Health, Safety & Wellness
- Senior Procurement & Contracting Advisor
- Senior Leadership Team

External Agencies

- In 2025, Marsh conducted a Strategic Risk Workshop, the outcomes of which informed updates to the appetite levels for two risk categories. The Risk Appetite Statement itself was prepared internally.

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

- ISO 31000:2018 Risk Management Guidelines
- Town of Port Hedland Risk Management Framework
- Policy 1/022 Risk Management
- Town of Port Hedland Project Management Framework
- Policy 2/007 Procurement Policy
- *Local Government Act - Part 7*
- *Local Government (Audit) Regulations 1996 – Regulation 17*
- *Local Government Act s5.23(4)(e)* - information the making public of which would be likely to endanger the security (including cyber-security) of any of the local government's property or operations.

FINANCE AND RESOURCE IMPLICATIONS

- 2025-26 Annual Budget – Salaries and Wages

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following section of the Town’s *Council Plan 2025-2035* applies in consideration of this item:

Our Leadership: We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

4.2 Transparent and accountable governance and financial sustainability

Access and Inclusion

The following outcome 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	Compliance
Cause	Inadequate communication and implementation support for the revised appetite/tolerances
Effect	Inconsistent application of tolerances, confusion regarding “Low” vs former “Zero” terminology, and reduced effectiveness of escalation and reporting triggers.
Risk Treatment	Treat

There is a risk that the revised RAS may not be applied consistently during the initial transition period as staff adapt to the updated appetite positions, tolerances, and escalation requirements. This risk is being mitigated through targeted training delivered as part of the Town’s internal risk management workshops, ensuring that risk owners, secondary risk owners and control owners clearly understand the changes and apply the updated RAS requirements when monitoring, assessing and escalating risks.

The residual risk rating for this transitional risk is assessed as Low (4), based on a likelihood of Unlikely (2) and a consequence of Minor (2).

OPTIONS

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

CONCLUSION

The revised RAS provides a clearer and more contemporary articulation of the Town's appetite positions, tolerances and escalation expectations. The updates ensure the RAS reflects the Town's current operating environment, governance needs and organisational priorities, while supporting greater consistency and transparency in how risk appetite is applied.

ATTACHMENTS

1. CONFIDENTIAL - 20260507 DRAFT 2026 Risk Appetite Statement v 2 (No Tracked Changes) [**11.1.1.1** - 15 pages]
2. CONFIDENTIAL - 2022 Town of Port Hedland Risk Appetite Statement [**11.1.1.2** - 10 pages]
3. CONFIDENTIAL - 20251230 Risk Appetite Statement ELT Briefing Note [**11.1.1.3** - 8 pages]

12 Reports of Officers**12.1 Corporate Services****12.1.1 Statement of Financial Activity - April 2026****Author:** Senior Financial Accountant**Authorising Officer:** Acting Director Corporate Services

Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item. At times, they receive payments made in accordance with employment contracts and related Town of Port Hedland policies, which are disclosed in the attachments to this report.

CM202627/174 OFFICER RECOMMENDATION & COUNCIL RESOLUTION**MOVED:** Deputy Mayor Melville**SECONDED:** Cr Butson**That Council:**

- 1. Receives the Monthly Financial Report for the period ending 30 April 2026 as shown in Attachment 1;**
- 2. Receives the Accounts paid under delegated authority for the period ending 30 April 2026 as shown in Attachment 2;**
- 3. Receives the Purchasing Card statements for the period ending 30 April 2026, as shown in Attachment 3;**
- 4. Receives the Investment Summary Report for the period ending 30 April 2026, as shown in Attachment 4;**
- 5. Receives the YTD Budget v Actual Report by Directorate for the period ending 30 April 2026, as shown in Attachment 5;**
- 6. Receives the Capital Listing report for the period ending 30 April 2026, as shown in Attachment 6.**

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is for Council to receive the Statement of Financial Activity for the period ending 30 April 2026.

DETAIL

The financial results for the period are included in **Attachment 1**. The preparation of the reports has been made in compliance with the *Local Government Act 1995* and *Local Government (Financial Management) Regulations 1996*.

The Town's financial activity reports use a materiality threshold to measure, monitor and report on financial performance and position of the Town.

As part of the 2025-2026 Budget, Council adopted the following thresholds as levels of material variances for financial reporting:

- A variance of 10% or \$50,000, whichever is greater, of the Year-to-Date budget of operational and capital expenditure requires explanation.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, the proposal or decision is not of nature or significance that require engagement.

- Exception - The proposal or decision is not of a nature or significance that requires engagement.

CONSULTATION

Internal

- Management

External Agencies

- Department of Local Government, Industry Regulation and Safety.

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

Section 6.4 of the *Local Government Act 1995* and Regulation 34 of the *Local Government (Financial Management) Regulations 1996* detail the form and manner in which a local government is to prepare its statement of financial activity.

FINANCIAL AND RESOURCE IMPLICATIONS

The statement of financial activity is to be supported by such information, as is considered relevant by the local government, containing:

- An explanation of the composition of the net current assets for the month, to which the statement relates, less committed assets and restricted assets.
- An explanation of each of the material variances referred to in sub-regulation (1)(d); and
- Supporting information, as is considered relevant by the local government.

Reserves:

Ensure compliance with section 6.11 of the Local Government Act 1995 when reserve accounts are utilised.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town’s *Council Plan 2025-2035* are applicable in consideration of this item:

Our Leadership:

We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

4.2 Transparent and accountable governance and financial sustainability

Access and Inclusion

The following outcome 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
Cause	There is an operational risk associated with this item due to a reduction in income or increase in expenses throughout the 2025/26 financial year.
Effect (Consequence)	Could impact on the Town’s ability to meet service levels or asset renewal funding requirements.
Risk Treatment	The Town’s financial activity reports use a materiality threshold to measure, monitor and report on financial performance and position of the Town.
The risk rating is considered to be Medium (6) which is determined by a likelihood of Possible (3) and a consequence of Minor (2).	

OPTIONS

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

CONCLUSION

The opening funding surplus of \$5.95M presented in the Statement of Financial Activity for the period ending 30 April 2026, represents the actual balance on the audited Statement of Financial Activity 2024-2025. The net current funding position for the

period ending 30 April 2026 is \$50.2M due to raising \$87.9M in General Rates in Quarter 1 of 2025-2026.

ATTACHMENTS

1. Monthly Financial Report - April 2026 [**12.1.1.1** - 8 pages]
2. Accounts paid under delegated authority for the period ended 30 April 2026 [**12.1.1.2** - 75 pages]
3. Purchasing Card statements for the period ended 30 April 2026 [**12.1.1.3** - 12 pages]
4. Investment Summary Report for the period ended 30 April 2026 [**12.1.1.4** - 10 pages]
5. The YTD Budget v Actual Report by Directorate for the period ended 30 April 2026 [**12.1.1.5** - 1 page]
6. Capital Listing report for the period ended 30 April 2026 [**12.1.1.6** - 7 pages]

12.1.2	Council Plan Progress Report - FY2025/2026 Q3
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Author: Senior Corporate Performance Advisor
Authorising Officer: Acting Director Corporate Services
Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

CM202627/175 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Deputy Mayor Melville **SECONDED:** Cr Todd

That Council receives the Council Plan 2025-2035 Quarter Report of January to March 2026 in Attachment 1.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd
Against: Nil

PURPOSE

The purpose of this report is for Council to receive the quarterly progress report on the Council Plan 2025-2035 (Council Plan) projects and key actions for the period January to March 2026.

DETAIL

The Town undertook a minor desktop review of its Strategic Community Plan and annual review of the Corporate Business Plan in 2024/2025 resulting in the development of its first Council Plan, The plan was adopted by Council on 24 September 2025 and it outlines the organisation’s themes, outcomes, four-year priorities, informing strategies, success measures, service delivery, and key projects and actions over the next four years for each theme.

The Council Plan will be reviewed in 2026 through the Major Strategic Review and subsequently on an annual basis in line with the development of the annual budget

The Quarterly Report

The quarterly progress report provides an opportunity for the Council and the community to note the Town’s progress against the Council Plan’s key projects and actions. The 2025/2026 Quarter Three progress report (**Attachment 1**) provides an update on the implementation of the Council Plan for the period of January to March 2026.

Table 1: Summary of actions by category and status

Category	Description	Number	%
Not started	This initiative/project has not started at the scheduled time	0	0
On track	This initiative/project is in progress and expected to be completed in the scheduled time	24	65%
Behind schedule	This initiative/project is in progress but not expected to be completed in the scheduled time or has not reached the desired milestone at the current reporting period.	9	24%
Completed	This initiative/project was completed during the reporting period or prior quarters	4	11%
Past Due	This initiative/project has not started at the scheduled time or is in progress but has past its scheduled completion date.	0	0
Not Proceeding	No longer proceeding as directed by Council resolution in response to external factors or change in direction	0	0
Total actions scheduled to commence or progress in FY2025/2026		37	100%

The chart below shows the actions overview of the progress made in Q3 of FY2025/2026:

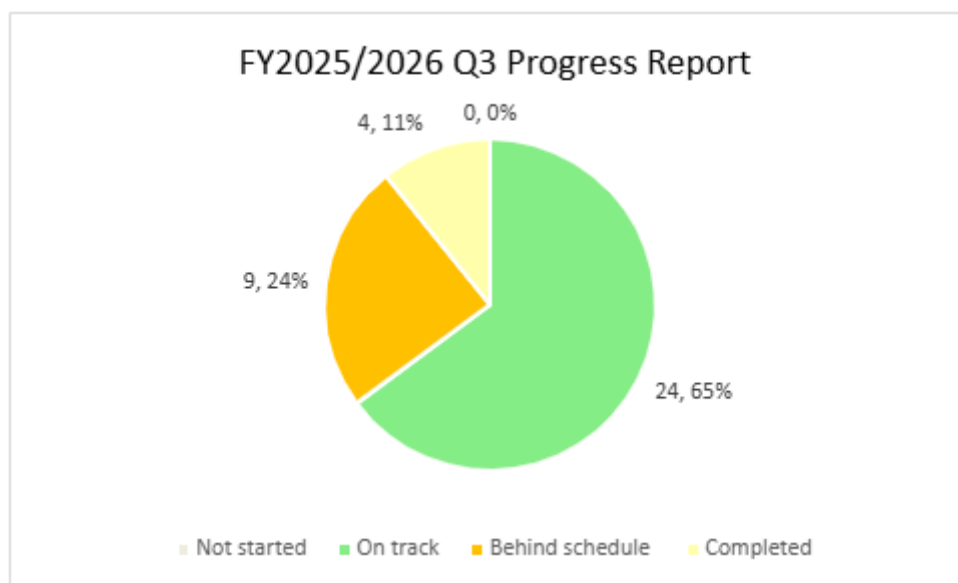


Figure 1: Percentage of actions by status

FY2025/2026 Quarter 3 highlights

Highlights of the period January to March 2026 include the progression of important projects including:

- *JD Hardie Stage 3* – Landscaping and pump track construction – Final management plans were received from the contractors and are now under review.
- *Community Safety* – Youth Food and Security Project (Problem-oriented Policing project) reached 70% completion milestone with notable progress in the Bussin’ Bites – Interim Snacks and Cooking Program, Pay it forward and backpacks for support programs.
- *Events and facilities’ activation* – Contract signed with Circuitwest and is awaiting funding to deliver three-year audience development focused on First Nations’ work.

LEVEL OF SIGNIFICANCE

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

- Exception - The proposal or decision is not of a nature or significance that requires engagement.

CONSULTATION

Internal

- Senior Leadership Team
- Executive Leadership Team

External Agencies

- Nil

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

- *Local Government Act 1995 s5.56 Planning for the future*
- *Local Government (Administration) Regulations 19DA*

FINANCIAL AND RESOURCE IMPLICATIONS

- Nil

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town’s *Council Plan 2025-2035* apply in consideration of this item:

Our Leadership: We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

4.2 Transparent and accountable governance and financial sustainability

There are no significant identifiable environmental, social or economic impacts relating to this item.

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	Strategic
Risk Category	Compliance Reputational
Cause	Failure to report on progress against the Council Plan projects and key actions

<p>Effect (Consequence)</p>	<p>Not delivering on the Council and community expectation to be informed of the Town’s performance against the projects and key actions as contained in the Council Plan.</p> <p>Non-compliance with the IPR (Integrated Planning and Reporting) requirement to have a system of monitoring and reporting performance of the Town’s Council Plan.</p>
<p>Risk Treatment</p>	<p>Quarterly progress report on the Town’s Council Plan performance is provided to Council</p>
<p>There is a Strategic risk associated with this item caused by failure to report on progress against the Council Plan projects and key actions, leading to perception that the Town has not performed as expected by the community.</p> <p>The risk rating is considered to be Low (4) which is determined by a likelihood of Unlikely (2) and a consequence of Minor (2).</p> <p>This risk will be treated by quarterly reporting to Council on performance against Council Plan projects and key actions.</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 is provided to inform Council of the progress the Town has made in implementing the adopted Council Plan 2025-2035. The Council Plan outlines the organisation’s themes, outcomes, four-year priorities, informing strategies, success measures, service delivery, key projects and actions over the next four years for each theme. This report identifies the status of each project and key action that was scheduled to commence in FY2025/2026 along with commentary on the progress where applicable.

ATTACHMENTS

1. Council Plan 2025-2035 Quarterly Report 2025-26 Q 3 V 3 [**12.1.2.1** - 21 pages]

12.1.3	Policy Review Program
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Author: Senior Governance Advisor

Authorising Officer: Acting Director Corporate Services

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

CM202627/176 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr McDowall

SECONDED: Cr Baxter

That Council repeals the Town of Port Hedland Code of Conduct for Employees, Consultants, Contractors and Volunteers and notes that the Chief Executive Officer will ensure a similar Code for Employees and Volunteers will be enacted simultaneously.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is to request Council's approval to repeal the Town of Port Hedland Code of Conduct for Employees, Consultants, Contractors and Volunteers (the Code).

DETAIL

Council adopted the Code (**Attachment 1**) on 25 March 2026 (CM202627/130); however the application and enforcement of employee conduct is an operational matter for which the Chief Executive Officer (CEO) is accountable.

Under section 5.41 of the *Local Government Act 1995* (the Act), the CEO is responsible for the day-to-day operations of the local government, including the management and supervision of employees, which extends to the administration of employee conduct frameworks such as the Code.

The *Local Government (Model Code of Conduct) Regulations 2021* establish behavioural standards for local government employees, with responsibility for implementation and management of these requirements resting with the CEO as part of their administrative functions.

The Code is more appropriately administered outside the Council policy framework. Repeal of the Council-adopted Code removes any ambiguity between Council's governance role under section 2.7(2)(b) of the Act and the operational responsibilities of the CEO under section 5.41 of the Act.

The repeal outlined in this report recognises that the management of employee conduct and associated administrative instruments does not require formal endorsement by Council and is appropriately exercised under the authority of the CEO.

This approach supports a clear separation between governance and operational matters and ensures alignment with the intent of the Policy Framework.

LEVEL OF SIGNIFICANCE

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

- Exception - The Council already has a sound understanding of the views and preferences of the people likely to be affected by, or interested in, the proposal or decision.

CONSULTATION

Internal

- Chief Executive Officer
- Manager Governance
- Elected Members

External Agencies

- Nil

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

Local Government Act 1995

Section 2.7(2)(b)

Council determines the local government's policies.

Section 5.41 Role of CEO

CEO is responsible for managing and supervising employees and the day-to-day operations of the local government.

Local Government (Administration) Regulations 1996 (as amended in 2021)

Part 4A Division 2

Content of codes of conduct

Local Government (Model Code of Conduct) Regulations 2021

Part 2 – Model code of conduct (Act s. 5.103(1))

FINANCIAL AND RESOURCE IMPLICATIONS

None identified

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town’s *Council Plan 2025-2035* apply in consideration of this item:

Our Leadership:

We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

4.2 Transparent and accountable governance and financial sustainability

There are no significant identifiable environmental, social or economic impacts relating to this item.

Access and Inclusion

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

None identified

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Compliance
Cause	Out of date or non-compliant policies and / or gaps in policy framework.
Effect (Consequence)	Unclear governance responsibilities, potential duplication between Council and CEO functions, and risk of inconsistent or inappropriate application of employee conduct requirements.
Risk Treatment	Implementation of a structured policy review program to ensure appropriate classification of policies and separation between Council policy and operational (CEO) responsibility.

There is an operational risk associated with this item arising from not maintaining a clear and effective policy framework, including appropriate separation between Council governance responsibilities and operational responsibilities, which may lead to compliance concerns.

The risk rating is considered to be Medium (9), determined by a likelihood of (3) and a consequence of Moderate (3).

This risk is considered acceptable due to the following controls in place:

Employee conduct requirements continue to be managed administratively by the Chief Executive Officer in accordance with section 5.41 of the *Local Government Act 1995* and relevant regulations.

OPTIONS

Option 1 – Adopt officer’s recommendation

Option 2 – Amend officer’s recommendation

Option 3 – Do not adopt officer’s recommendation

CONCLUSION

The repeal of the Code ensures alignment with current legislation, clarifies governance responsibilities, and supports a contemporary and effective policy framework.

ATTACHMENTS

1. Town of Port Hedland Code of Conduct for Employees, Consultants, Contractors and Volunteers [**12.1.3.1** - 42 pages]

12.2 Community Services**12.2.1 South Hedland Aquatics Facility****Authorising Officer: Director Community Services****Authorising Officer: 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.**CM202627/177 OFFICER RECOMMENDATION & COUNCIL RESOLUTION****MOVED: Cr Todd****SECONDED: Deputy Mayor Melville****That Council in respect of the new South Hedland Aquatics Centre:**

- 1. Endorses the South Hedland Aquatics Centre concept design and cost plan as outlined in Attachments 1-4.**
- 2. Authorises the Chief Executive Officer (CEO) to undertake community and stakeholder engagement on the concept design.**
- 3. Authorises the CEO to procure the detailed design and associated services.**
- 4. Requesting the CEO to seek grants and identify funding opportunities.**
- 5. Requests the CEO to develop and appropriate comprehensive Business Plan detailing funding, Risk, and the Procurement process and project framework for Councils consideration.**

CARRIED BY SIMPLE MAJORITY (8/0)*For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd**Against: Nil***PURPOSE**

The purpose of this report is for Council to consider endorsing the concept design for the South Hedland Aquatics Centre, located adjacent to Wanangkura Stadium, and to support progression to detailed design and stakeholder engagement.

DETAIL***Background***

In July 2025, Council endorsed a new location for the South Hedland Aquatics Centre within the sporting and recreation precinct, with delivery anticipated in FY2027/28.

That Council:

- 1. Note the evaluation of South Hedland Aquatic Centre Site selection and endorse Option B Stadium South Site per attachment 12.4.1.3 as the preferred option.*
- 2. Authorise Officers to commence a more comprehensive investigation, concept design and cost plan for Option B.*
- 3. Note that South Hedland Integrated Sports Hub Masterplan and staging plan will be reviewed in line with Option B being adopted.*
- 4. Note that a further report will be provided detailing how consultation, project governance and approvals will be undertaken to enable a concept design proposal including project planning to be presented by December 2025 for Council approval to proceed.*

Item 2 of the resolution has now been completed through the delivery of a near-complete architectural schematic design. This represents a more advanced stage than originally anticipated, acknowledging the importance of understanding the site's spatial capacity and its integration with the adjacent stadium.

The Landscape design has progressed to a 50% schematic design as this was required to inform the overland flow and the risk of flooding and options to manage and mitigate this. This is another key risk identified and where design solutions have been progressed beyond concept.

Civil design is only at the concept stage. Several previous surveys and geotechnical studies have been undertaken, and these have been applied to the levels and set outs to provide a concept solution. This is an early-stage document, but it clearly defines the scope of the works that will need to be progressed to mitigate manage the flood risk to this site.

Other aspects of the design have been investigated in terms of considering staging of the project. These are as follows:

Aquatics

A detailed assessment of pool and plant options, including filtration and water treatment systems, has been undertaken. Internal consultation has informed preferred approaches, ensuring alignment with operational requirements, spatial planning, and whole-of-life costs.

Environmentally Sensitive Design (ESD)

An assessment of environmentally sustainable design options has been undertaken, including consideration of energy sources and efficient plant systems suitable for a modern aquatic facility. Internal consultation has informed preferred approaches, ensuring alignment with operational requirements, spatial planning, and whole-of-life costs, while supporting reduced environmental impact.

Traffic

A traffic assessment has been undertaken to understand access, circulation, and parking requirements for both the Aquatics Centre and the adjacent stadium. This work confirms that statutory compliance can be achieved and that the site can accommodate projected demand, with additional parking capacity available in the vicinity of the AFL oval, subject to budget considerations.

Services and Related Studies

A review of existing site servicing and infrastructure investigations has been undertaken to inform the current concept design and future development capacity. While high-level assessments of service availability and capacity have been completed, detailed design for structural, mechanical, electrical, ICT, fire, and water management systems will be progressed during the detailed design phase to ensure alignment with project requirements and regulatory standards.

Site Master Planning

Further to the concept and detailed design of the aquatics centre, the Town will be progressing an update of the overall site masterplan, and this will be brought back to Council for further consideration. The purpose of developing the masterplan is to ensure the site is future proofed for further stages of development in line with recreational needs.

Traffic Flows

The site is intended to operate as a sports hub destination. The proposed extension of Parola Court will not provide a through connection to the worker accommodation located behind the site, for either current or future development.

Allowing such a connection could generate a significant increase in daily vehicle movements through the Hamilton Road entry at Hedditch Street. This would create a conflict with the high volume of pedestrian activity expected within the precinct.

Future realignment of Hudson Way will provide an alternative route for traffic from development areas to the north, diverting vehicles away from the aquatics centre and reducing potential safety and congestion issues.

Overall Design and Cost Management

The previous design was based on accommodation schedules (functions of spaces required within a development or facility), and an Aquatics Needs Analysis developed through consultation with public and affected sports codes. The consultation and derived accommodation schedules resulted in a design that was circa \$140 million net present value. This was unaffordable, and a more realistic design and budget has been developed. The current design represents as close to a like for like design as possible and keeping to the budget targets.

The final design achieves a fit-for-purpose outcome, providing the minimum essential facilities required to replace the existing South Hedland Aquatics Centre while remaining within an affordable budget.

Design phases will be programmed, and at the completion of each phase, a cost review and scope assessment will be undertaken. Updated designs will be presented to Council for endorsement prior to progressing to subsequent stages as identified in the project's execution framework.

The detailed design phase is expected to take approximately 12 months from procurement.

Subject to Council approval, construction tendering is anticipated in August 2027, with contract award in April 2028. Construction is expected to start May 2028 and be completed by December 2029.

Long-Term Financial Plan

The Draft Long Term Financial Plan allocates \$94,000,000 to the Aquatics Project for design and construction from 2026/27 through to 2029/30. The Town will continue to actively pursue additional funding opportunities to strengthen the project's financial position and support long-term delivery outcomes.

The Aquatics Concept Design represents a critical step in progressing a long-standing strategic priority for Council. Endorsing the Concept Design, along with the associated governance and contractual actions, will enable the project to move forward in an informed, orderly, and fiscally responsible manner, supported by a formal Execution Framework and Project Steering Group.

It is noted that drainage works are included within the \$94,000,000 allocation. The Project Steering Committee is also currently developing a Business Plan to guide the future use and decommissioning of the existing South Hedland Aquatics Centre.

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.
- Significant - A decision that will significantly affect the cost to Council to carry out any activity identified in the strategic plan.
- Significant - Any issue, proposal, decision, or other matter that will substantially affect a wide range of people who reside in Port Hedland.
- Significant - The matter will have implications for the present and future social, economic, environmental, and cultural well-being of Port Hedland.

CONSULTATION

In accordance with the Aboriginal Cultural Heritage Act 2021, the Town will undertake the necessary assessments and, where required, obtain approvals, develop management plans, and consult with relevant stakeholders.

The attached South Hedland Aquatics Concept Design has been based upon feedback derived from.

Internal

- Director Community Services
- Director Infrastructure Services
- Manager Recreation & Leisure Facilities
- Coordinator Aquatics Operations
- Acting Director Regulatory Services
- Manager Infrastructure Services
- Senior Project Manager
- Project Managers
- Aquatics Team – Key staff
- Temporary CEO
- Manager Public Affairs
- Manager Financial Services
- Senior Funding & Partnerships Officer

External Agencies

- Principal Architect, Carabiner
- Project Architect, Carabiner
- Quantity Surveyor, Rawlinsons
- Principal Policy Officer, Department of Creative Industries, Tourism & Sport (WA)

Community

A new aquatic centre in South Hedland will deliver significant community benefits by providing a modern, safe, and accessible recreational facility that meets the current and future needs of residents. As the existing facility is reaching the end of its useful life, the development of a new centre ensures continuity of essential aquatic services, including learn-to-swim programs, fitness activities, and community recreation. The co-location of the facility within the broader South Hedland Integrated Sports Hub will enhance its accessibility and usability, creating a centralised destination for sport and leisure that encourages greater participation across all age groups and abilities.

The facility will also strengthen community wellbeing by supporting social connection, health, and inclusion outcomes. Through integration with the Town's Access and Inclusion Plan, the aquatic centre will provide equitable access to services and programs, fostering engagement among diverse community groups. In addition, the centre will support structured sporting activities, informal recreation, and community events, contributing to a more active and connected community. This aligns with Council's strategic objective to enhance social outcomes and deliver infrastructure that has a broad and lasting positive impact on residents across Port Hedland.

LEGISLATION AND POLICY CONSIDERATIONS

The following Town of Port Hedland policy has been considered in relation to the preparation of this item:

4/009 Significant Decision Making

The Concept Designs for all three previously assessed sites have been reviewed against:

- *Town of Port Hedland Local Planning Policies; and*
- *Relevant structure plans.*

Further statutory and planning assessments will be undertaken as the preferred option progresses.

FINANCIAL AND RESOURCE IMPLICATIONS

As outlined in the Long-Term Financial Plan (LTFP), a total amount of \$94.0 million has been allocated for this project of which 23% is intended to be WA Government funded.

Funding Breakdown:

Contributor	Value
WA Government	\$22.5 million
Strategic Reserve	\$71.5 million
TOTAL:	\$94.0 million

Based on the concept design, the preliminary cost estimate provided by Rawlinsons and reviewed by Town officers is \$94 million. This includes construction costs, design fees, contingencies, client-supplied items, and a 60% regional loading.

An additional escalation allowance of 17.75% (approximately \$8 million) has been identified to account for cost increases through to mid-2029 and as a future risk mitigation assessment it is not included in the Long-Term Financial Plan.

As the project progresses to detailed design, cost estimates are expected to be refined, with reductions in design contingency and improved cost certainty through material and procurement optimisation.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan:

The following sections of the Town’s *Council Plan 2025-2035* applies in consideration of this item:

Environmental

The development of the South Hedland Aquatics Facility presents important environmental considerations, particularly in relation to energy use, water management, and site-specific risks such as flooding. The project has already incorporated environmentally sensitive design (ESD) principles, including investigations into energy sources and efficient plant systems to reduce long-term environmental impacts and operational demands. In addition, early landscape and civil design work has focused on overland flow and flood mitigation, reflecting the need to manage site conditions and ensure resilience to local environmental factors. These measures will contribute to a more sustainable facility that is better equipped to respond to climate conditions and resource constraints over its lifecycle.

Economic

The proposed aquatic centre represents a significant economic investment for the Town of Port Hedland, with an estimated total project cost of \$94 million funded through a combination of government contributions and strategic reserves. This investment is expected to generate local economic benefits during both the construction and operational phases, including job creation and increased demand for local suppliers and services. However, the project also carries economic risks, particularly relating to cost escalation, material supply volatility, and broader market conditions that may affect procurement and delivery timelines. Careful financial planning, staged design reviews, and ongoing cost management will be critical to ensuring the project remains viable and delivers value for money to the community.

Social

Socially, the aquatic facility will play a key role in enhancing community wellbeing, accessibility, and participation in recreation and sport across Port Hedland. As a replacement for ageing infrastructure, the new centre will provide modern, inclusive amenities aligned with the Town's Access and Inclusion Plan, supporting equitable access for people of all ages and abilities. Its integration within the broader sports and recreation precinct will further strengthen its role as a community hub, fostering social interaction, supporting healthy lifestyles, and accommodating future population growth. The project is expected to have a lasting positive impact on the social fabric of the community by improving quality of life and delivering essential public infrastructure that meets contemporary standards

Access and Inclusion

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

- Outcome 1 – Events and Services
- Outcome 2 – Buildings and Facilities
- Outcome 3 – Accessible Information
- Outcome 4 – Quality of Service
- Outcome 6 – Public Consultation
- Outcome 7 – Employment Opportunities

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational Strategic Project
Risk Category	Financial Service Interruption Compliance Reputational
Cause	Global supply chain disruption Material cost volatility Market conditions
Effect (Consequence)	The project is subject to risks associated with global supply chain disruption, material cost volatility, and broader market conditions. These factors may impact material availability, pricing, and project delivery timeframes.
Risk Treatment	These risks will be proactively managed through contingencies within the cost plan, informed material selection, early market engagement, and robust project governance.
<p>This item presents operational, strategic, and project risks associated with factors outside of the Town’s control, which may result in supply constraints and increased costs.</p> <p>The risk rating is considered to be Medium (6) which is determined by a likelihood of Likely (4) and a consequence of Major (4).</p> <p>This risk will be treated by the selection of materials that do not have a high reliance on overseas manufacture and supply, or that can be sourced locally.</p>	

OPTIONS

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

CONCLUSION

The South Hedland Aquatics Facility represents a critical investment in the Town’s future, delivering essential infrastructure that will replace ageing assets and meet the evolving needs of the community. The progression of a concept design, supported by technical investigations and cost planning, demonstrates a considered and structured approach to project delivery. Endorsing the concept design will enable the project to move into detailed design with greater certainty, while allowing for continued refinement to ensure functionality, affordability, and alignment with the broader South Hedland Integrated Sports Hub vision.

More broadly, the project will have lasting benefits across environmental, economic, and social outcomes, reinforcing its significance as a strategic priority for Council. While there are inherent risks associated with cost, supply, and site constraints, these will be actively managed through planning, governance, and staged decision-making processes. The delivery of a modern, accessible aquatic facility will enhance community wellbeing, support local economic activity, and contribute to sustainable development outcomes, ensuring the Town of Port Hedland is well-positioned to serve current and future generations.

ATTACHMENTS

1. Concept Design- Architect& Landscape Architect [**12.2.1.1** - 35 pages]
2. Concept Design- Landscape [**12.2.1.2** - 47 pages]
3. Concept Design- Civil [**12.2.1.3** - 1 page]
4. CONFIDENTIAL - 20260505- Concept Design Cost Estimate [**12.2.1.4** - 44 pages]

12.3 Regulatory Services

12.3.1	Economic Development and Tourism Strategy – Progress Report
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Author: Project Officer – Economic Development

Authorising Officer: Acting Director Regulatory Services

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

Mayor Behrend and Deputy Mayor Melville declared impartiality interests in this item and remained in the Chambers.

The Mayor informed Elected Members and the public of a typographical error in the agenda on Page 41, the reference to FMG's contribution should read \$80,000 and \$100,000 per year, which has been reflected in the minutes.

CM202627/178 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr Butson

SECONDED: Deputy Mayor Melville

That Council receives the Town of Port Hedland Economic Development and Tourism Strategy Progress Report, presented as shown in Attachment 1 to this item.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is to inform Council on the progress of the action items identified in the Economic Development and Tourism Strategy.

DETAIL

The report details progress made by the Town of Port Hedland (the Town) regarding initiatives outlined in the Economic Development and Tourism Strategy since its endorsement.

Council endorsed the Economic Development and Tourism Strategy at the 23 March 2022 Ordinary Council Meeting. The plan provides a long-term vision, aspiration and priorities and commits to 'building prosperity for all – enabling sustained economic growth.'

Specifically, the plan seeks to:

- Provide a framework for the Town to lead an integrated and collaborative approach to achieve the community's vision;
- Guide the Town in supporting future economic development and tourism growth within the district; and
- Help relevant units within the Town implement this strategy in partnership with the State Government, Federal Government, regional development bodies, and other strategic partners.

The four pillars and priority areas identified as part of the strategy are outlined below:

Pillar 1. - Advocacy

- 1.1. Lobby State and Federal Government for Infrastructure
- 1.2. Encourage and promote local procurement
- 1.3. Lobby State Government Industry for policy change

Pillar 2. - Marketing & Promotion

- 2.1. Market and promote the area for business investment
- 2.2. Market and promote the area for tourism
- 2.3. Market and promote the local lifestyle

Pillar 3. - Infrastructure

- 3.1. Ensure future supply of housing and services land for development
- 3.2. Invest and develop community infrastructure
- 3.3. Support tourism infrastructure development

Pillar 4. - Facilitating Growth

- 4.1. Provide a supportive planning environment and support other local regional growth initiatives
- 4.2. Support other local and regional growth initiatives

Highlights of this reporting period include:

- The former Port Hedland Yacht Club premises has been leased to Running with Thieves. This will support the activation of the Spoilbank Marina Recreation Area and local employment with addition of a new food and beverage offering to Port Hedland, supporting liveability and tourism.

- Both Marapikurrinya Park food and beverage pop-ups are under license, providing distinct offerings for Port Hedland's historic West End. This initiative continues to provide local employment and business growth opportunities, along with improving amenity for residents, workers and visitors.
- The Town continues to actively support regional destination marketing through ongoing collaboration with Australia's North West Tourism (ANW) and participation in Pilbara-wide branding and destination development discussions. The Town maintains an active membership with ANW and has progressed several key marketing deliverables during this reporting period.
- Transition arrangements to bring the Port Hedland Visitor Centre in-house are currently on schedule aligned with meeting the deadline of the current management agreement expiring on 31 October 2026.
- Development WA has finalised the detailed business case for Western Edge and has progressed the project through the State Government. The State Government also recently announced on 6 May 2026 that the first two stages of Western Edge comprising of 121 lots will be delivered under a \$75 million investment by the State with works commencing in 2027. The works to a new public open space, roads, services and infrastructure typical of a residential estate. This is a significant announcement culminating from almost a decade of advocacy by the Town in relation to housing.
- The Town is finalising a Cumulative Impact Assessment (CIA) with the Pilbara Development Commission and City of Karratha which are effectively growth models for Hedland and Karratha. The study will determine the impact of planned major infrastructure projects on the Town population and the service levels required to service a growing population (increases in the number of health and education services and infrastructure requirements). This work is expected to be completed by mid 2026 and will enhance the Town's current population forecasts through Regional Economic Model Planning (REMPAN). The (CIA) will provide strong evidence to support the Town's existing advocacy efforts.
- The Town is now represented on the Local Buying Foundation Advisory Committee. This organisation aims to add value to regional communities in Western Australia (WA), seeking to add value to the economic sustainability of regions. They support programs and initiatives that target local business training and development needs by adding value to WA business communities.
- The Town continues to engage with Hedland Maritime Initiative (HMI) regarding the West End. The Town's Director of Regulatory Services also participates on the Port Hedland Voluntary Buyback Scheme (PHVBS) steering committee meeting which advocates for expenditure of the \$22million budgeted State Government funds in relation to the West End redevelopment and replacement housing located outside the West End. A PHVBS has not yet been held in 2026 and is expected to be scheduled shortly.

- The Town has the following major industry partnerships which support community and social infrastructure:
 - BHP Events Partnership (3 year, \$300,000k per year)
 - Pilbara Ports (3-year partnership, FY 2025/2026: \$68,000, FY 2026/2027: \$70,500, FY 2027/2028: \$73,000 – for community programs and events)
 - Fortescue Metals Group (FMG) - On the precipice of entering a new 2-year agreement, \$80,000 per year for community programs and events. (With an existing, 3-year Leisure agreement for \$100,000 per year already in place)
 - Boom Logistics (\$20,000 per year for 2 years, community development)
 - QUBE (\$20,000 per year for 2 years, community development)
 - ORICA (\$100,000 per year for 3 years, Indigenous programs)
 - Horizon Power (\$50,000 per year for 3 years – community events / programs).
 - The Town is targeting \$40 million boost spent back into the community from projects that are being run, which has generated substantial employment, beyond the Town employees, as there is more interest from companies to settle into the region and run businesses within Port Hedland and being attracted to come.

Over the coming twelve months, the following projects will be delivered:

- Spoilbank Marina Master Plan Update

The existing Spoilbank Marina Masterplan has largely been implemented. This project will deliver an updated, integrated development masterplan for land adjacent to the marina to guide future use and development. The proposed masterplan will establish a clear vision, land use framework, leasing strategy and an infrastructure servicing approach to support a coordinated, activated and commercially through a waterfront precinct that responds to environmental constraints and regulatory requirements.

This work will examine the highest and best use opportunities, optimal lot configurations, current and project demand, and any constraints to the development. Elected Members will be engaged throughout the project, with a final land use and development concept to be presented to Council to be considered in late-2026.

- Land Development: Kingsford Smith Business Park

The Town continues to invest in the light industrial land supply by expanding Kingsford Smith Business Park. Stage 2B will delivery seven new lots by the end of 2026. The Town has engaged a consultant to prepare a Subdivision Strategy and feasibility study for Stages 3 and 4 of Kingsford Smith Business Park, focused on the medium-to-large-term development of the estate.

The study will ensure the ongoing availability of light industrial and bulky goods land to support business growth and investment. The project also includes investigation of potential redevelopment opportunities along the Wallwork Road frontage on the major thoroughfare connecting Port and South Hedland, including land held by Bunnings since 2014.

This includes consideration of expanding the front lot to support a homemaker style centre and attract a multitenancy developer with Bunnings as a potential anchor tenant. The purpose of the project is to determine whether progressing further stages of Kingsford Smith Business Park is in the best interests of the Port Hedland community and to inform future land release and investment decisions. The project is expected to be completed by September 2026.

All of this is intended to improve liveability for residents through offering more options to the community to access goods and services which are currently not available at a high rate in Hedland, as well as having more affordable prices for these goods and services through having larger stores which have economies of scale which could add competition to the market.

- Destination Management Plan

The Town is developing a Destination Management Plan (DMP) to facilitate the long-term development of Port Hedland's tourism industry. A DMP outlines strategies to enhance Port Hedland as a vibrant tourism destination, ensuring a sustainable and memorable visitor experience. It focuses on improving attractions, events, infrastructure, and services to support visitor economy growth while benefiting the local community.

The DMP will identify tourism products, and development opportunities that could be implemented to make Port Hedland more attractive to tourists. This project will be developed and presented to Council for consideration early 2027.

- Investment attraction and Facilitation Plan

The Town is developing an Investment Attraction and Facilitation Plan (IAFP) to attraction new investment to Port Hedland. An IAFP helps attract and support businesses and investors by identifying opportunities, streamlining processes, and promoting Port Hedland as a great place to invest.

It aims to strengthen the local economy by encouraging sustainable growth and economic diversification. The Town is committed to attracting new businesses and investment to Port Hedland, focused on areas that provide residential employment opportunities, improved liveability and amenity outcomes for our residents, and economic diversification. This project will be developed and presented to Council for consideration by early 2027.

- Resident (Workforce) Attraction and Retention Plan

The Town is developing a Resident (Workforce) Attraction and Retention Plan (the RARP) to guide the Town's efforts to attract and retain the workforce needed to support local industries and essential services. Informed by best practice, relevant case studies and the Town's existing strategies and programmes, the RARP will outline clear, practical and achievable actions for the Town to implement to improve local services, strengthen community connections, promote the opportunities of living and working in Port Hedland.

The RARP will focus on making Port Hedland a more appealing place to live and work. It includes strategies to attract new residents by promoting employment opportunities and the Pilbara lifestyle, while also improving liveability to support long-term community growth.

By investing in these non-housing drivers of liveability, the Town aims to create a compelling value proposition that encourages longer-term residency and contributes to a resilient and vibrant community. This project will be developed and presented to Council for consideration by early 2027.

- Economic Recovery and Resilience Plan

The Economic Recovery plan and Resilience Plane (ERRP) is in development and is intended to prepare the Town of Port Hedland (the Town) for bolstering viability of the Town's essential economic players whose goods and services are essential to maintaining liveability of the Town.

The development of (ERRP) will provide the Town with a clear, practical framework to guide economic recovery following a significant disaster event that could disrupts local businesses, industries and employment. While the Town has established plans for disaster preparedness and immediate post-event response such as protecting human safety and restoring critical infrastructure, limited work has been undertaken to plan for economic recovery. This includes coordinating advocacy for disaster recovery funding, targeted support for affected businesses, and investment in infrastructure and initiatives that strengthen long term economic resilience and enable faster recovery. Doing business in the Town of Port Hedland remains challenging due to structural constraints in the housing and labour markets. In the event of a major disaster such as a cyclone, strong coordination between Local, State and Federal Governments, industry bodies and the business community will be essential. Effective support mechanisms will help business owners re-establish operations quickly, ensuring the timely restoration of services and amenities that underpin the liveability of the Town for residents.

LEVEL OF SIGNIFICANCE

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

- Significant - The matter will have implications for the present and future social, economic, environmental, and cultural well-being of Port Hedland.

CONSULTATION

Internal

- Planning and Development
- Visitor Services
- Public Affairs
- Procurement
- Finance

- Events, Arts and Culture
- Community Development
- Projects

External Agencies

- Regional Development Australia (RDA) Pilbara
- Element Advisory (Consultant procured for Spoil Bank Masterplan Review)

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

All WA local governments are required to plan for the future through adoption of strategic documentation under the Integrated Planning and Reporting Framework (IPRF) through the WA Local Government (Administration) Regulations (1996).

The Economic Development and Tourism Strategy can be considered an important supporting document to the Town's Strategic Plans.

FINANCIAL AND RESOURCE IMPLICATIONS

All costs associated with the Economic Development and Tourism Strategy with the implementation of actions within the Economic Development and Tourism Strategy were approved through the relevant directorates operational budget.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town's *Council Plan 2025-2035* applies in consideration of this item:

2.1 Business and job growth

2.2 Enhanced local training and workforce opportunities

2.3 Marketing and promotion

2.4 Infrastructure for growth

Environmental

There are no significant environmental impacts associated with this item.

Economic

As outlined in the Progress Report.

Social

Implementation of the Economic Development and Tourism Strategy improves the economic operating environment across the Town, providing additional services and amenity to local residents and improving overall liveability.

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Compliance
Cause	If the Economic Development and Tourism Strategy is not effectively implemented and reported on, this may result in disengagement from investors, local businesses, and strategic partners.
Effect (Consequence)	Inefficiency in the monitoring and reporting of this strategy will negatively impact the diversification of the local economy and increase the reliance on the resource sector causing a rise in the cost of living which will affect the wider Hedland community.
Risk Treatment	Effective implementation and reporting on the Economic Development and Tourism Strategy.
<p>There is an Operational risk associated with this item caused by not implementing the strategy, leading to negative effects on the local economy.</p> <p>The risk rating is considered to be Medium (6) which is determined by a likelihood of Unlikely (2) and a consequence of Moderate (3).</p> <p>This risk will be mitigated by the continued implementation, monitoring and progress reporting on the Town of Port Hedland's Economic Development and Tourism Strategy.</p>	

OPTIONS

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

CONCLUSION

The Town of Port Hedland Economic Development and Tourism Strategy 2022 is a strategic planning document that provides a long-term vision, aspiration and priorities and commits to ‘building prosperity for all – enabling sustained economic growth.’

ATTACHMENTS

1. Attachment - May 2026 ED T Progress Report [20 pages]

12.3.2	Local Housing Strategy- Endorsement for Advertising
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Author: Strategic Planner

Authorising Officer: Acting Director Regulatory Services

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

CM202627/179 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr McDowall

SECONDED: Cr Edwards

That Council:

- 1. Endorses the draft Local Housing Strategy 2026 in Attachment 1 for the purpose to be publicly advertised for at least 28 days, to seek community feedback.**
- 2. Notes that the final Local Housing Strategy 2026 will be presented to Council after the advertising period.**

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is for Council to consider the draft Local Housing Strategy 2026 for endorsement to advertise for a period of at least 28 days, after which a final draft will be presented to the Council for consideration of endorsement.

DETAIL

Housing affordability and availability remains a key constraint across Port Hedland. The housing supply has not kept pace with the housing demand, with housing supply growing by around 0.2% p.a. since 2017 while average rents have increased by around 20% p.a. in Port Hedland and 36% p.a. in South Hedland since 2020.

The undersupply of housing in the Town, combined with the removal of housing from the West End, has resulted in increased housing stress, contributing to overcrowded and low-quality housing for vulnerable cohorts. In response, the Town convened a Housing Solutions Summit in 2021, attended by government and industry stakeholders, which established five priorities, including "models of sustainable and affordable housing that can be expedited", and identified the need for ongoing stakeholder engagement. To continue the dialog on housing, the Town initiated the Hedland Housing Steering Committee in 2022 with key stakeholders which meet quarterly to discuss and share data and projects related to housing.

Housing has been recognised as a shared priority across all levels of government and industry stakeholders. Housing availability and affordability are critical constraints to liveability, workforce attraction and economic growth. It is critical to economic development, workforce retention, and community wellbeing. A sound housing system would support social sustainability and economic competitiveness, ensuring that Port Hedland remains an attractive place to live, work, and invest.

To formally tackle the housing situation, the Town partnered with the Pilbara Development Commission in 2024 to prepare a Local Housing Strategy. The Local Housing Strategy is a key action contained within the Economic Development and Tourism Strategy (2022) and is supported by Council Plan 2025 – 2035 and Local Planning Strategy (2021).

The Strategy

The Local Housing Strategy acts as a comprehensive 'roadmap' to facilitate and support sustainable and affordable housing for the community. It aims to guide land use planning, advocate for improved housing outcomes at state and federal levels and promote a diverse range of housing solutions tailored to local needs. By consolidating existing strategies, plans, and programs related to housing into one document, it will ensure coordination across the Town's internal and external stakeholders.

Vision

The Strategy sets out a vision for a thriving, resilient, and inclusive Port Hedland, where all residents have a place to call home.

Key Insights

The Strategy's findings have been strengthened by economic assessment, policy analysis, and insights shared by stakeholders and extensive community engagement undertaken between November 2024 - February 2025.

The key findings include:

- Scarcity of affordable rental accommodation for key workers and other community members, especially those without employer provided housing support.
- Pressure on the rental market created by the ability for Government Regional Officer Housing (GROH) and industry sector employers to source and pay higher rentals for housing, squeezing out individuals working in the non-resource or government sectors.
- Lack of quality well maintained housing with a gap in renovation.
- Lack of local residential construction industry depth and capacity.
- Out of town modular builders often operate independently of local residential finishing trades, resulting in weak connections and limited confidence in local capability to install and complete modular homes on site.
- Property financing hurdles and high insurance costs in the region.

- High costs of construction, with cyclonic wind region requirements compounding regional price differentials.
- Limited dwelling stock diversity in terms of size and specification being historically shaped by a large family dwelling and lot size, with options that are smaller, modular or on more compact lots a potential response to address affordability constraints.

Local Housing Strategy Priorities (summarised)

The actions in the draft Local Housing Strategy are summarised in the following themes:

1. Increase housing availability and reduce shortages

Advocate to the state government and other agencies to investigate and deliver key worker housing projects, introduce house-and-land packages, and support modular housing solutions to accelerate supply.

2. Make housing affordable and diversify options

Promote a range of housing types and sizes, advocate for increased GROH stock, and collaborate on financing pathways to enable home ownership.

3. Strengthen industry capacity and partnerships

Establish a trades registry, partner with PHCCI and state agencies, and build alliances with regional local governments to support construction capability and advocacy.

4. Enhance liveability and resilience

Improve public amenities, integrate climate-responsive design, and develop culturally appropriate housing typologies to create safe and inclusive neighbourhoods.

5. Ensure planning framework readiness

Review and update local planning provisions, publish clear guidance, and incentivise resource sector contributions to balance housing and temporary accommodation.

Recent Government Announcements

It is noted that there have been recent significant Government announcements regarding the Seven (7) Cities initiative on 28 April 2026 to develop a significant number of Government Regional Officer Housing (GROH) in Hedland by 2030. A further announcement was made on 6 May 2026 for Government to fund 121 residential lots at Western Edge in South Hedland. These significant announcements are welcomed and will contribute significantly toward increasing housing supply in Hedland and align with the proposed draft Local Housing Strategy Actions.

Monitoring and Review

Annual monitoring of the progress of Local Housing Strategy actions is recommended to ensure housing issues in the Port Hedland improve over time.

Review of the overall Strategy on a five-yearly basis is recommended, aligning with Census periods (i.e., undertake a review in 2031) to monitor population, housing, employment, income, and other related indicators.

Public advertising

Advertising the draft Strategy to the public is critical to ensure that it meets community expectations and adequately captures the information gathered during the previous rounds of engagement.

The public consultation period will commence with invitations to comment through the following methods:

- On the Town's website
- Public notice in the North West Telegraph
- Emailed directly to the key stakeholders
- Through the Town's social media

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance, because the final Strategy, once adopted by the Council, will be the leading strategic document for housing and related land-use planning for the Town.

CONSULTATION

Internal

- Executive Leadership Team
- Senior Leadership Team
- Manager Planning and Economic Development
- Principal Economic Development
- Senior Strategic Planner

External Agencies

37 participants from across Government, industry (mining focus) and private (construction and housing focus) participated during the stakeholder engagement sessions in November 2024 to provide insights on the existing housing situation in Port Hedland.

Community

- Public consultation was undertaken between January and February 2025, and consisted of the following methods:
- Workshops
- 1:1 Meetings
- Community pop-ups at shopping centres
- An online survey with a total of 348 responses received

LEGISLATION AND POLICY CONSIDERATIONS

Planning and Development Act 2005

Planning and Development (Local Planning Schemes) Regulations 2015

FINANCIAL AND RESOURCE IMPLICATIONS

The Town and the Pilbara Development Commission have jointly funded the preparation of the Local Housing Strategy. The project has been delivered within the approved budget.

The public advertising costs for the draft Strategy will be met within the project budget.

The adoption of the Strategy will not involve immediate financial commitments, as most actions can be progressed through existing operational arrangements. Any actions with potential financial implications would be considered through standard Council approval processes, if required.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town's Council Plan 2025-2035 apply in consideration of this item:

Our Built and Natural Environment: We treasure and protect our natural environment and provide sustainable and resilient infrastructure and built form.

3.2 Safe and fit-for-purpose built environment.

3.3 Accessible, attractive, and sustainable urban environment.

Environmental

The Local Housing Strategy encourages development in areas free from environmental constraints and promotes climate-responsive design. By directing growth away from vulnerable coastal hazard areas and promoting infill and higher densities in well-serviced areas, the Strategy aims to minimise risks and help protect natural landscapes.

Social

Implementation of the Strategy is expected to contribute to housing affordability and diversity, supporting a stable and inclusive community. It prioritises key workers and enhanced liveability, safety, and access to community facilities, with actions designed to foster social cohesion and wellbeing.

Economic

The Strategy supports economic growth by addressing housing shortages that constrain workforce attraction and retention, particularly in essential services. By facilitating new housing supply, modular construction, and infrastructure investment, it aims to unlock further private and public investment. These actions are expected to boost local business confidence, support job creation, and strengthen the region’s economic resilience.

Access and Inclusion

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

- Outcome 2 – Buildings and Facilities

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Strategic
Risk Category	Reputational
Cause	Failure to seek community feedback on the final draft Strategy and deliver on its actions after extensive stakeholder and community consultation.
Effect (Consequence)	Adverse impact on the Town’s reputation and loss of credibility, given the Strategy is supported by the Pilbara Development Commission.
Risk Treatment	Accept and adopt the Officer’s recommendation and endorse the draft Strategy for public advertising.

There is a reputational risk associated with this matter. The community and industry stakeholders have been consulted throughout the development of the Strategy and failure to seek feedback on the final document and deliver on the actions may adversely impact the Town’s reputation. As this project is supported by the Pilbara Development Commission, timely review, preparation, and endorsement are critical to maintaining credibility. The risk rating is considered to be Low (4) which is determined by a likelihood of Unlikely (2) and a consequence of Minor (2). The risk will be mitigated by accepting and adopting the recommendation of the Officer.

OPTIONS

Option 1 – Adopt officer’s recommendation

Option 2 – Amend officer’s recommendation

Option 3 – Do not adopt officer’s recommendation

CONCLUSION

This report outlines the details of the draft Local Housing Strategy and seeks endorsement to advertise the draft Local Housing Strategy seeking community feedback. The outcomes of community consultation and any proposed amendments to the draft Strategy would then be the subject of a further Council report for consideration and endorsement of the Strategy.

ATTACHMENTS

1. Draft Local Housing Strategy 2026 [**12.3.2.1** - 86 pages]

12.3.3	Visitor Centre Quarterly Report - Quarterly Report 3: January - March 2026
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Author: Coordinator Visitor Services

Authorising Officer: Acting Director Regulatory Services

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

CM202627/180 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr Butson

SECONDED: Cr Todd

That Council:

Receives the quarterly report from the Port Hedland Peace Memorial Seafarers' Centre Incorporated for the management of Port Hedland Visitor Centre for January - March 2026 as shown in Attachment 1.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is for Council to consider the financial and general operational report of the Port Hedland Visitor Centre, managed by Port Hedland Peace Memorial Seafarers Centre Incorporated (Seafarers) from January – March 2026. More specifically, this report addresses the reporting requirements outlined in clause 24.2 in the Management Agreement between the Seafarers and the Town of Port Hedland.

DETAIL

The contract for the management of the Port Hedland Visitor Centre was agreed between the Town of Port Hedland and Seafarers for the period 1 November 2024 to 31 October 2026 with three x 12-month optional extensions. These extensions will not be utilised, as council adopted a resolution at the 29 October 2025 Ordinary Council Meeting to bring the Port Hedland Visitor Centre service in-house from 1 November 2026.

Under clause 24.2 of the agreement, Seafarers are to provide the Town with a quarterly report, including details of the following:

- Financial
- KPIs
- Service providers
- Business Plan

- Patronage, tour bookings and sales
- Maintenance and capital expenditure
- Any other information reasonably required by the town

Desired outcomes of the agreement with the Seafarers are as follows:

- A friendly and professional face to face welcome to visitors with a consistently high quality, free information service to provide visitors to Port Hedland with a consistently high quality, free information service to provide visitors to Port Hedland with insights into the region and distribute information about tourist products available in the region.
- A comprehensive range of local, regional and state-wide brochures, maps and directional information both in hard copy and available electronically.
- Information and booking service for accommodation and tours.
- Information on attractions, events, retail outlets, local services, road conditions and transport options.
- High quality customer service to visitors to the Visitor Centre
- A focus on continuous improvement and service growth at the facility.
- A safe, clean and hygienic environment for staff, customers and other visitors.
- Strong, accountable financial management; and
- Clear, concise and accurate reporting on the operations of the facility. The attached quarterly report outlines the progress made by the Seafarers in the period January – March 2026.

Reported performance against annual budget

Performance against the annual budget is attached to this report as Attachment 3. (confidential).

Reported performance against current KPIs

Performance against current KPIs is attached to this report as Attachment 2.

Digital media performance

The Town manages the social media and website for the Port Hedland Visitor Centre in consultation with Centre staff. Attachment 1 provides a summary of digital engagement on Facebook and the website from January to March 2026.

Notable events for the reporting period

The total walk-in traffic for the reporting period was 2,093 with 43 telephone enquiries. For this quarter, the Port Hedland Visitor Centre reported 124 Seafarers Harbour Tour bookings. Staff attended the caravan and camping show in Perth, promoting Port Hedland.

Terri attended the Care for Hedland Turtle Monitoring End of Season Dinner Celebration and accepted our Sponsorship plaque for all the work the Visitor Centre put into promoting and booking the Turtle Monitoring Tours.

The Visitor Centre acknowledged the 114-year anniversary of the loss of the SS Koombana. Promoted via the social media pages, with a display in store and a collaboration with Dalgety house museum for an out of season opening of Koombana cottage.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because: The Port Hedland Visitor Centre has a positive impact on tourism services and programs provided by the town.

CONSULTATION

Internal

- Director Regulatory Services
- Manager Planning & Economic Development

External Agencies

- Nil

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

Nil

FINANCIAL AND RESOURCE IMPLICATIONS

The Management fee for the Port Hedland Visitor Centre was approved by Council at the 25 September 2024 Ordinary Council Meeting (CM20425/154).

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town's *Council Plan 2025-2035* applies in consideration of this item:

Our Community: We honour our people and our cultural heritage – ensuring wellbeing, diversity, creativity and strong civic engagement and dialogue.

1.4 Well-utilised and valued community facilities and services

Our Economy: We build prosperity for all – enabling sustained and diversified economic and employment growth.

2.3 Marketing and promotion

Our Leadership: We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

4.3 Effective delivery of services and infrastructure to meet community needs

Environmental

The Port Hedland Visitor Centre promotes and engages visitors and locals on the natural and environmental tourism opportunities in and around Port Hedland, such as a reef walking tour and turtle observations.

Economic

The economic benefits of having a well-managed Visitor Centre include developing a positive narrative about the town and attracting visitors to the region and increasing length of stay and visitor expenditure in the community

Social

There are no significant social impacts associated with this item.

Access and Inclusion

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

- Outcome 2 – Buildings and Facilities
- Outcome 3 – Accessible Information
- Outcome 4 – Quality of Service

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Reputational
Cause	Perception that the town has not performed its commitment to provide the visitor services to tourist and the community
Effect (Consequence)	Dissatisfaction among visitors and stakeholders, service disruption, and negative impact on the town's reputation and relationship with the community.
Risk Treatment	Council supports the officer's recommendation.

There is an Operational risk associated with this item caused by the perception of a lack of commitment to the provision of the visitor services, leading to dissatisfaction among visitors and other stakeholder.

The risk rating is considered to be Low (4) which is determined by a likelihood of Unlikely (2) and a consequence of Minor (2).

This risk will be treated by the adoption of the officer's recommendations

OPTIONS

Option 1 – Adopt officer’s recommendation

Option 2 – Amend officer’s recommendation

Option 3 – Do not adopt officer’s recommendation

CONCLUSION

This report is provided to inform council of the operational progress made by the Seafarers from January – March 2026 in its role as the operator of the Port Hedland Visitor Centre.

ATTACHMENTS

1. Attachment 1 PHVC - Monthly Engagement Report March 2026. [**12.3.3.1** - 4 pages]
2. Attachment 2 PHVC- KPis March 2026 [**12.3.3.2** - 2 pages]
3. CONFIDENTIAL - Attachment 3 PHVC Financials March 2026 [**12.3.3.3** - 2 pages]

12.3.4	Local Planning Policy - Kingsford Smith Business Park Design Guidelines - Endorsement
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Author: Strategic Planner

Authorising Officer: Acting Director Regulatory Services

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

CM202627/181 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr Edwards

SECONDED: Cr Baxter

That Council pursuant to the *Planning and Development (Local Planning Schemes) Regulations 2015*, resolve that it:

1. Notes the submissions received during the public notice period in relation to proposed amendments to Local Planning Policy 09 – Kingsford Smith Business Park Design Guidelines in Attachment 4.
2. Adopts new Local Planning Policy 09 – Kingsford Smith Business Park Design Guidelines, presented in Attachment 1 with modifications shown in Attachment 3.
3. Revokes the existing Kingsford Smith Business Park Design Guidelines (2013), in Attachment 2.
4. Advertises the adopted Local Planning Policy 09 – Kingsford Smith Business Park Design Guidelines in accordance with the requirements stipulated in the *Planning and Development (Local Planning Schemes) Regulations 2015*.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is for Council to adopt amendments to Local Planning Policy 09 – Kingsford Smith Business Park Design Guidelines (LPP/09) in **Attachment 1**.

BACKGROUND

Kingsford Smith Business Park Design Guidelines began as estate design guidance in 2013. The Kingsford Smith Business Park Design Guidelines have recently been reviewed, and the Council initiated public advertising to modify the guidelines at the February 2026 Ordinary Council Meeting.

LPP/09 aims to provide a clear framework for guiding development in the Kingsford Smith Business Park precinct, ensuring consistent, high-quality outcomes and protecting airport-related operational and safety constraints.

Endorsement of this policy will improve design consistency, streetscape quality and amenity, support employment-generating investment, embed sustainable practices, and provide transparent assessment pathways.

DETAIL

The Planning and Development (Local Planning Schemes) Regulations 2015 (the Regulations) enable local governments to prepare local planning policies on any matter relating to planning and development, provided they are consistent with the provisions of the Scheme. In accordance with these Regulations, a comprehensive review of LPP/09 – Kingsford Smith Business Park Design Guidelines has been undertaken in 2026.

While the majority of the existing policy provisions have been retained, there have been some key updates made to the policy (refer to **Attachment 2**). These include:

- Updated format to be consistent with other Town of Port Hedland LPP's and to generally reflect the Department of Planning Lands and Heritage WA Planning Manual draft LPP in manner and form. The updated format also aims to improve the application of discretion and provide clarity around which provisions are design requirements and which are best practice guidance.
- Moved to an 'Outcome and Performance Based Assessment' to simplify the approvals process and provide a faster assessment for those that meet the 'Accepted Standard' provisions. The inclusion of the 'Performance Criteria' pathway offers an alternative merit-based approach when one or more of the Accepted Standards are not satisfied. This allows for innovative design responses that may be more context and site responsive.
- Removal of any duplication of provisions already within the Scheme or other LPPs.
- Provisions regarding setbacks have been simplified and reduced. The updated LPP/09 proposes a minimum setback of 25m from the primary street and 19m from the secondary street/s compared to the minimum 41m, 25m, and 19m setbacks in the current LPP. This better reflects the setbacks of existing developments and promotes a more consistent street character while maintaining enough setback to allow for two rows of car parking, landscaping and footpath.
- Addition of provision A.5.3.4 for 1 bicycle parking space to be provided, to better cater for alternative transport methods.
- Addition of provision A.5.4.2 for a minimum of 10% of the total property area to be landscaped, inclusive of the existing requirement for a 5m landscaped setback along the street boundaries. This approach is consistent with the requirements within the Scheme for other industrial zoned land.

- Addition of the Design Review Checklist (Appendix 7.4) to enable proponents to self-assess their proposals against the policy and reduce the time taken during assessment.

Following the conclusion of the public advertising period, minor modifications were made to the policy which are outlined in **Attachment 3**, and are summarised below:

- Revision of provision A.5.4.3 to reduce the tree planting ratio from 3 trees per 10m² to 1 tree per 10m² with no changes to the shrubs and groundcovers and grasses ratio. This modification will retain adequate vegetation for shade and amenity while supporting a high-quality precinct without unreasonable development burden.
- Introduction of a new Performance Criteria P.5.6.3 under Section 5.6 Fencing to clarify and address security and streetscape impacts. This approach will ensure an appropriate balance between security needs and streetscape outcomes identified during the community consultation phase.

These modifications are intended to improve clarity, streamline planning processes, and reduce regulatory barriers to support the growth of new and existing businesses. The amendments align with Local Planning Scheme No. 7 (LPS7) and assist the local government in exercising its discretionary powers under the LPS7.

LPP/09, as presented as Attachment 1, is recommended to be adopted by Council, and for Council to revoke the existing Kingsford Smith Business Park Design Guidelines (2013).

Should Council choose to adopt LPP/09, the adopted policy will be advertised in accordance with the requirements stipulated under the *Planning and Development (Local Planning Schemes) Regulations 2015*

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of low significance, because it has implications for development within Kingsford Smith Business Park.

CONSULTATION

Internal

- Planning and Economic Development

External Agencies

The LPP 09 was publicly advertised to seek feedback from the community in accordance with the *Planning and Development (Local Planning Schemes) Regulations 2015* for a minimum of twenty-one (21) days from 1 April – 28 April.

Two submissions were received from public agencies:

- Water Corporation
- Department of Primary Industries and Regional Development

Neither agency objected to the proposed amendments. The submissions received are presented as Attachment 4.

Community

Three submissions were received from the community, including two private businesses:

- Bunnings Group Limited
- Developed Property Private Limited

The submissions received are presented in **Attachment 4**.

LEGISLATION AND POLICY CONSIDERATIONS

- *Planning and Development Act 2005*
- *Planning and Development (Local Planning Schemes) Regulations 2015*
- Town of Port Hedland Local Planning Scheme No. 7

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town's *Council Plan 2025-2035* applies in consideration of this item:

Our Economy

We build prosperity for all – enabling sustained and diversified economic and employment growth.

2.3 Marketing and promotion.

Our Natural and Built Environment

We treasure and protect our natural environment and provide sustainable and resilient infrastructure and built form.

3.3 Accessible, attractive, and sustainable urban environment.

Economic

Streamlining approvals reduces costs and delays for businesses and developers enabling timely delivery of low-impact developments that enhance local amenity and services, while providing clear guidance on the planning requirements.

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	Strategic
Risk Category	Reputational
Cause	Reduced clarity within the content and structure of the existing policy.
Effect (Consequence)	Proposed developments that are inconsistent with the vision for the area and reduced confidence for developers.
Risk Treatment	Amendments to LPP/09 set out clearer guidance on the acceptable standards for what types of development may be approved, including scale, location, and design requirements.
<p>There is a Strategic risk associated with this item caused by reduced clarity within the content and structure of the existing policy, leading to proposed developments that are inconsistent with the vision for the area and reduced confidence for developers.</p> <p>The risk rating is considered to be Medium (6) which is determined by a likelihood of Possible (3) and a consequence of Minor (2).</p> <p>This risk will be treated by the amendments to LPP/09 that set out clearer guidance on the acceptable standards for what types of development may be approved, including scale, location, and design requirements.</p>	

OPTIONS

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

CONCLUSION

It is recommended that Council adopt the amended Local Planning Policy 09 – Kingsford Smith Business Park Design Guidelines presented as Attachment 1. The updated policy improves clarity of policy provisions and streamlines planning processes, while ensuring alignment with Local Planning Scheme No. 7 and maintaining appropriate development controls.

ATTACHMENTS

1. Attachment 1 Local Planning Policy 09 [**12.3.4.1** - 37 pages]
2. Attachment 2 Existing Kingsford Smith Business Park Design Guidelines [**12.3.4.2** - 38 pages]
3. Attachment 3 Tracked Changes Local Planning Policy 09 [**12.3.4.3** - 38 pages]
4. Attachment 4 Schedule of Submissions [**12.3.4.4** - 17 pages]

CM202627/182 ALTERNATE OFFICER'S RECOMMENDATION & COUNCIL RESOLUTION**MOVED: Cr McDowall****SECONDED: Cr Edwards****That Council:**

- 1. Authorises the Chief Executive Officer to enter into a contract to acquire Lot 5996 Cottier Drive, South Hedland Western Australia, on an unencumbered freehold basis, for the sum of up to \$820,000.00 (excluding GST), with execution under the Common Seal by the Mayor and Chief Executive Officer, in accordance with Special Council Meeting Resolution SCM202526/157 dated 22 December 2025.**
- 2. Endorses the updated Key Worker Housing Business Case prepared by the APP Group in May 2026, included as Attachment 12, incorporating:**
 - a. Amendments requested at the Special Council Meeting held on 22 December 2025; and**
 - b. Outcomes of the Council Risk and Operating Model Workshop held on 15 April 2026.**
- 3. Approves the award of Request for Proposal RFP2425-01 to TLC Modular Pty Ltd (ACN 669 446 708) for the sum of \$38,396,161.00 (excluding GST) for the design and construction of the Key Worker Housing Project on Lot 5996 Cottier Drive, South Hedland, as detailed in Attachments 1 to 5, subject to completion of due diligence to the satisfaction of the Chief Executive Officer. Which will include a site visit to view similar modular 4units on display in Karratha by the Executive and available Elected Members.**
- 4. Subject to Part 3., authorises the Chief Executive Officer to:**
 - a. Negotiate, finalise and execute contractual terms and conditions with the successful tenderer, including the authority to seek and obtain extensions to the tender validity period, where required;**
 - b. Obtains appropriate contract risk insurance for the project;**
 - c. Secures all necessary easements over adjoining land to facilitate utility connections; and**
 - d. Approves international travel, if required, for relevant officers to support contract execution and quality assurance of prefabricated modules with the following limitations;**
 - i. Maximum budget of \$20,000; and**
 - ii. Maximum of 2 persons per trip.**
- 5. Requests the CEO to seek grant and industry funding for the project.**

CARRIED BY ABSOLUTE MAJORITY (5/2)

For: Mayor Behrend, Cr Baxter, Cr Butson, Cr Edwards, Cr McDowall and Cr Todd
Against: Cr Butson and Cr Little

CM202627/183 PROCEDURAL MOTION – STANDING ORDERS**MOVED: Mayor Behrend****SECONDED: Cr Butson**

That Council suspend Standing Orders pursuant to section 18.2 of the Town of Port Hedland Standing Orders Local Law 2014 to allow for discussion on the item, the time being 7:46pm.

CARRIED BY SIMPLE MAJORITY (7/0)

For: Mayor Behrend, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

CM202627/184 PROCEDURAL MOTION – STANDING ORDERS**MOVED: Mayor Behrend****SECONDED: Cr Butson**

That Council resume Standing Orders pursuant to section 18.2 of the Town of Port Hedland Standing Orders Local Law 2014, the time being 7:50pm.

CARRIED BY SIMPLE MAJORITY (7/0)

For: Mayor Behrend, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

CM202627/185 OFFICER RECOMMENDATION & COUNCIL RESOLUTION**MOVED: Cr McDowall****SECONDED: Cr Edwards****OFFICER'S RECOMMENDATION 2****That Council:**

- 1. Agrees to relinquish the Town of Port Hedland's entitlement to access workforce accommodation rooms at the BHP Port Haven facility and accepts a contribution of \$10,000,000 from BHP toward the Town's Key Worker Housing Project as shown in Attachments 8 and 9.**
- 2. Authorises the Chief Executive Officer to finalise negotiations and execute all necessary agreements and documentation to give effect to the BHP funding contribution, including transitioning away from and concluding the Port Haven entitlement.**

- 3. Accepts a contribution of \$3,000,000 from Hedland Maritime Initiative (HMI) toward the Town's Key Worker Housing Project as shown in Attachments 10 and 11.**
- 4. Notes that \$4,500,000 from the Infrastructure Development Fund has been secured for the project.**

CARRIED BY SIMPLE MAJORITY (7/0)

For: Mayor Behrend, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

CM202627/186 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr Todd

SECONDED: Cr McDowall

OFFICER'S RECOMMENDATION 3

That Council:

- 1. Notes the external legal advice received in Attachments 6 and 7:**
 - a. Confirming that readvertising of the Business Plan pursuant to section 3.59(2) of the *Local Government Act* 1995 is not required, on the basis that the acquisition and development of the Site as presently proposed is not significantly different from that described in the business plan previously prepared, advertised and adopted by Council (Attachment 6).**
 - b. Regarding Key Worker Housing management model options, specifically that a management contract approach with a not-for-profit Community Housing Provider (CHP) is recommended and that direct negotiations with a specific, not-for-profit entity are exempt under reg. 30 of the *Local Government (Functions and General) Regulations 1996* (Attachment 7).**
- 2. Authorises the Chief Executive Officer to directly negotiate the terms of a proposed Management Agreement with Foundation Housing, and to bring a further report to Council presenting the final management model for Council's consideration.**

CARRIED BY SIMPLE MAJORITY (7/0)

For: Mayor Behrend, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

Deputy Mayor Melville returned to the Chambers at 7:52pm

PURPOSE

The purpose of this report is for the Council to consider:

1. Endorsing the updated Business Case and awarding the tender for the design and construction of Key Worker Housing Project (KWH Project) at Lot 5996 Cottier Drive, South Hedland.
2. Accepting external grant funding for the project.
3. Determining the preferred operating model for the project.

DETAIL

SCM202526/157

In accordance with Special Council Meeting Resolution SCM202526/157 dated 22 December 2025, Council resolved:

1. *Confirm its support for the intent and urgency of the Key Worker Housing project.*
2. *Direct the CEO to contact all tenderers to request a 90-day extension to the tender validity period of RFP2425-01.*
3. *Direct the CEO to develop a staged and prioritised program of work to include the following matters;*
 - a) *operating and management model options*
 - b) *allocation methodology and eligibility framework*
 - c) *Residential Tenancies Act exposure and risk mitigation*
 - d) *funding optimisation and co-investment opportunities*
 - e) *housing typology mix*
 - f) *time frame for delivering work programmes*
4. *Request that the existing business case dated December 2025 be updated in light of the matters listed in item 3.*
5. *Pursuant to section 6.8 of the Local Government Act 1995, increase the 2025-2026 Annual Budget to facilitate the purchase of Lot 5996 Cottier Drive, South Hedland:*

Account	Description	Current Budget	Amendment	Amended Budget
Unfinished works reserve (Carryfwd)	Transfer from	\$457,000	0	\$457,000
Strategic Reserve	Transfer from	\$0	\$363,000	\$363,000
10238 - Key Worker Housing Land Acquisition	Capital acquisition	\$(457,000)	\$(363,000)	\$(820,000)

Accordingly, the Chief Executive Officer was tasked with developing a staged and prioritised program of work to address key strategic, operational and risk considerations for the Key Worker Housing Project, as follows:

a. Operating and management model options

Since the previous Council resolution, officers have undertaken a comprehensive assessment of operating and management model options for the project to ensure legal compliance, appropriate risk allocation and long-term sustainability.

Independent legal advice was obtained from McLeods Lawyers on all feasible operating models available to the Town under the Local Government Act 1995, including in-house operation, third-party real estate management, establishment of a special purpose vehicle, and engagement of a not-for-profit Community Housing Provider (CHP). That advice identified the CHP model as the preferred and lowest-risk option, based on reduced legal exposure, specialist capability, and the ability for the Town to retain strategic control through contract.

To further inform Council's consideration, officers worked with Foundation Housing to analyse a range of operating models with varying degrees of Town control, reporting, delegation, exclusivity and performance oversight. This analysis explicitly set out how governance, risk, financial exposure and operational responsibility change under each option.

The options were tested with Council through a dedicated risk and operating model workshop in April 2026. Outcomes from that workshop were subsequently incorporated into the updated business case, ensuring alignment with Council's risk appetite and governance expectations. While no final operating model has yet been appointed, the work undertaken satisfies the requirement to rigorously test and define viable operating and management models prior to committing Council to long-term ownership.

b. Allocation methodology and eligibility framework

Considerable work has been undertaken to address allocation methodology and eligibility, recognising that these settings are critical to achieving Council's key worker housing objectives while managing reputational and compliance risks. Through engagement with Foundation Housing and review of existing community housing practices, officers have assessed allocation and eligibility frameworks that align affordability with local income profiles, essential worker cohorts and service continuity priorities. The updated business case incorporates evidence-based income profiles, affordable rent benchmarks and indicative cohort groupings informed by market data and stakeholder engagement.

Importantly, the investigated operating models preserve the Town's ability, should Council choose, to retain strategic control over eligibility settings, priority cohorts, rental caps and reserved allocations, while delegating day-to-day administration, verification and tenancy management to a specialist provider.

The work undertaken confirms that allocation and eligibility frameworks can be implemented in a defensible, auditable manner that supports Council's policy intent. Detailed eligibility criteria and allocation protocols will be finalised in consultation with the selected operator during the construction period, once Council confirms the preferred operating model. This is proposed to be brought back to Council for endorsement once negotiated with the preferred provider.

c. Residential Tenancies Act exposure and risk mitigation

Residential Tenancies Act (WA) exposure and associated risks have been a central focus of the work undertaken since the prior resolution.

Legal advice confirms that the Town assuming direct tenancy management would expose Council to elevated legal, operational and reputational risk under tenancy legislation. In contrast, outsourcing tenancy management to an experienced CHP materially mitigates this exposure by transferring day-to-day compliance, dispute management, arrears control and tenancy administration to a specialist organisation operating within established regulatory frameworks.

Engagement with Foundation Housing has further clarified how risk mitigation would operate in practice, including after-hours response arrangements, incident escalation protocols, compliance reporting, trust accounting controls and dispute management processes.

These risk mitigation strategies were considered during the April 2026 Council risk workshop, and the outcomes of that discussion have been embedded into the updated business case and operating assumptions. Collectively, this work demonstrates that tenancy law exposure has been identified, assessed and mitigated in a manner consistent with Council's governance obligations.

d. Funding optimisation and co-investment opportunities

Significant progress has been made in optimising the project's funding position and leveraging co-investment opportunities to reduce Council's financial exposure. Officers have actively engaged with government and industry funding partners and secured or progressed substantial external contributions, including \$4.5 million Infrastructure Development Fund support, the \$3 million Hedland Maritime Initiative buy-back funding, and a proposed \$10 million industry contribution from BHP. Collectively, these contributions represent approximately 43 per cent of the project's total capital cost and materially improve project feasibility.

The updated business case has been revised to reflect confirmed and proposed funding contributions, ensuring Council has an up-to-date and transparent view of the Town's equity exposure under different delivery scenarios. This work directly responds to Council's direction to optimise funding and avoid unnecessary imposts on ratepayers.

The timing of external funding commitments has also been explicitly factored into the project's staging and decision pathways, ensuring that time-critical funding opportunities are not jeopardised.

e. Housing typology mix

The housing typology mix has been confirmed and refined through the preferred tender process and incorporated into the updated business case. The preferred proponent's tender proposes a mix of one-, two- and three-bedroom dwellings designed to respond to identified local needs, affordability thresholds and site constraints. This mix has been assessed against current market demand, key worker household profiles and long-term operational considerations.

Feedback from local agents and analysis contained in the updated business case indicate that while one-bedroom dwellings support affordability and single-worker demand, two-bedroom dwellings remain critical for workforce retention and long-term viability. The confirmed typology mix reflects this balance and provides flexibility to support both key worker and mixed-tenure scenarios. Council's consideration of the preferred tender therefore also constitutes confirmation of the proposed housing mix as part of meeting the resolution.

f. Time frame for delivering work programmes

The timeframe for delivering the work programme has been clearly defined and staged to balance urgency, probity and risk management. The construction tender is time-critical due to tender validity periods and external funding constraints, particularly in relation to committed and proposed third-party funding. For this reason, progression of the construction contract cannot be deferred without creating material financial and delivery risk.

At the same time, the project's construction period, anticipated to be approximately 18 to 24 months, provides a clear and appropriate window to finalise and negotiate the operating and management model, detailed eligibility settings and contractual arrangements with the preferred operator. This staged approach was deliberate, allowing Council to resolve long-term operational matters without delaying construction or jeopardising funding.

The updated business case and officer pathway reflect this sequencing and demonstrate that the overall programme is realistic, defensible and aligned with Council's prior direction.

Project Background & Context

Port Hedland is experiencing a critical shortage of housing for key workers, which is directly impacting the delivery of core services in childcare, hospitality, retail, and local government. This shortage is driven by a structural market failure. The cost of constructing new dwellings in the Pilbara significantly exceeds achievable affordable rental income, making private sector investment commercially unviable without government intervention.

Lack of affordable housing is also a handbrake on Hedland's growth and development. It limits economic output and undermines liveability particularly for households working outside the resources sector. Market indicators and community sentiment show persistent structural shortage, high rents and elevated cost-of-living pressures. Current market indicators include:

- Port Hedland's rental vacancy rate sat at 1.7% in September 2025, well below the 2.5–3.5% balanced range, indicating sustained undersupply.
- Local listing analytics show a median weekly rent of \$1,000 across Port Hedland, with houses \$1,400/week and many 3-to-4-bedroom properties listings between \$1,700 to \$2,250 a week.
- The State's Regional Price Index confirms the Pilbara is the most expensive region, with overall prices 15% higher than Perth and housing costs, 40% higher than Perth's benchmark.

Under these settings, low and moderate-income households are seen as essential service workers (educators, childcare workers, youth workers, aged care, hospitality, retail, health support, key services) who struggle to secure stable affordable housing. The Pilbara Development Commission has reported a 120% rent increase over five years in major towns, and residents were forced to relocate or share overcrowded houses to cope with spikes of \$950 to \$1,850 per week.

Research has indicated a lack of 1,031 service workers in Hedland. Without intervention, this is expected to increase to 1,444 by 2031.

The Hedland community indicated a strong preference for the Town of Port Hedland Council to prioritise affordable housing in the 2023 MARKYT Community Scorecard; in response to the question "How would you rate access to housing that meets your needs" 73 per cent of respondents rated it "poor" or "terrible". This is a worse rating than what was received in the 2021 Scorecard, in which 66 per cent of respondents rated access to housing as "poor" or "terrible". In 2025, this response increased to 87 per cent indicating the increasing community concern regarding housing affordability.

The April 2024 Acil Allen report "The Economic Significance of Port of Port Hedland" concluded that a lack of affordable housing can result in a higher proportion of work being contracted to businesses outside of the Pilbara region, as well as a larger FIFO workforce.

Alignment with Draft Local Housing Strategy

This project strongly aligns with the actions outlined in the Town's draft Local Housing Strategy, which is presented to Council for consideration at this meeting as a separate item requesting consent to advertise the draft Strategy. The Strategy sets a clear direction for promoting diverse and affordable housing solutions to meet community needs, addressing the critical shortage of accommodation for key workers and other

residents priced out of the market. By delivering at least 40 rent-controlled key worker dwellings, the Town is taking tangible steps towards the Strategy's objectives of improving housing affordability, increasing stock in appropriate locations, and supporting sustainable growth. This development represents an early implementation measure of the broader housing framework, ensuring that the Town's investment complements long-term planning and advocacy efforts to State and Federal Governments.

Key Worker Housing Project – 2023 Market Approach

The Town of Port Hedland Council first prioritised the delivery of a Key Worker Housing Project (the Project) in 2022 when setting the Long-Term Financial Plan 2022-2037. Within this Long-Term Financial Plan, a \$40M budget to address the shortfall of affordable housing was proposed, with contributions anticipated from State and Federal Government along with borrowings.

In June 2023 the Council resolved:

That Council:

- Endorse the Proposed South Hedland Key Worker Housing Business Case;
- Continues to progress the acquisition of the lot identified in South Hedland for the purpose of constructing service worker accommodation; and
- Supports undertaking a procurement process to develop service worker accommodation within South Hedland.

In August 2023, Council endorsed the Service Worker Demand and Socio-Economic Impact Assessment. The Town went to market for the Key Worker Housing project, and no suitable proposals were received primarily due to exceeding the \$40m budget allocation. In August 2024, the Council resolved to decline all tenders and requested the CEO to investigate an alternative market approach to enable Key Worker Housing to be delivered in a more cost-effective manner, including an update of the current business case.

Key Worker Housing Project – 2025 Market Approach

As housing shortages continued to remain a significant handbrake on development in Hedland, in July 2025 the Town revised its project scope to:

- Change the market approach for the project from a 'Construction' only to 'Design and Construction' proposal in the hope to incentivise creativity in concept planning and let the market determine the most suitable development; and
- Disclosed the Town's budget for the project in order to be transparent with the market on the opportunity available and the applicable budget constraints.

Officer Recommendation Part 1: Business Case and Award of Tender

Business Case

The Key Worker Housing Project represents a once-in-a-generation intervention to address the Town's chronic shortage of affordable housing for essential workers. The total construction cost is approximately \$40 million, with the Town's upfront capital contribution totalling \$23 million and the balance \$17.5 million secured through external grant funding and contributions, including IDF funding, the Hedland Maritime Initiative and a time-critical BHP contribution. The Town's capital investment is fully funded through existing revenue streams, requires no debt, and does not impose an additional burden on ratepayers.

The project business case (May 2026 – Attachment 12) has been updated to reflect the financial modelling associated with the preferred tenderer and to consider alternative operating models, including external real estate management and management by a Community Housing Provider. A Council risk workshop was held on 15 April 2026, and the outcomes of that workshop have been incorporated into the updated business case. The business case has been prepared by APP Corporation and independently reviewed by Deloitte, providing assurance around the robustness of the assumptions and modelling.

Under the preferred Community Housing Provider operating model, the development is forecast to generate approximately \$39.6 million in rental revenue over the 20-year operating period. Total operating costs over the same period are estimated at \$38.7 million (inclusive of all maintenance, management fees, insurances and holding costs). At the end of the 20-year period, estimated sale proceeds of approximately \$41.1 million are anticipated.

When rental revenue, operating costs and end-of-life asset sales are combined, the project is modelled to deliver an overall positive net cash outcome of approximately +\$5.7 million over 20 years (Net Present Value, discounted at 4%) under the Community Housing Provider model. This outcome reflects that the project is designed primarily as a workforce-enablement and service-continuity investment rather than a commercial return project, while retaining asset ownership and materially reducing Council's long-term risk exposure. It is noted that actual costs may vary from the modelled costs in the business case which are based on scenario cost assumptions outlined in the business case.

Award of Tender

The Request for Proposal (RFP) was out to market for 106 days. Eleven responses were received by the Town through the VendorPanel portal, 9 of those deemed to be compliant responses.

The following parameters were set out in the RFP:

- The project scope of works contained performance objectives for 25% detailed concept design:
- The minimum number of dwelling units shall be at least 40

- The ratio of one-, two- and three- bedroom units shall be:
- Type A - one- bedroom 45% or 18 units
- Type B - two- bedroom 40% or 16 units
- Type C - three- bedroom 10% or 4 units
- Type D – two- bedroom accessibility units 5% or 2 units.

The Evaluation Panel assessed the Tenderer's presentations against the Qualitative Criteria outlined in the RFP. Initially, all panel members scored all 9 proposals individually. The initial evaluations were held over a series of 3 meetings: 7 October, 8 October and 10 October 2025. All evaluation members were present, as well as the Senior Procurement and Contracting Advisor, Procurement Advisor and Probity Advisor (Stantons). In addition, the Technical Advisors Malcom Mackay and Ian Wilkes were present in all initial evaluation meetings. Rawlinsons representative briefly joined at the third meeting when the initial QS Report was presented. This was through both in person and virtual attendance. The evaluation panel proceeded to shortlist 4 respondents based on consensus scoring, with the final 4 to be invited to present their proposal to the panel.

The presentations were held over 20 and 21 October 2025, with a mixture of in person and virtual attendance by both the evaluation panel members and shortlisted respondents. In instances where a panel member was not in attendance they were briefed on the contents of the presentation.

Following the presentations a final consensus meeting was held on the 27 October 2025 where the panel determined the preferred and alternate respondents. The preferred respondent consensus comments are summarised below and note that the preferred proposal:

- Scored highest on qualitative criteria (relevant experience, capacity & capability and project vision & preliminary design)
- Provided the best value-for-money proposition (provided more dwellings than 40 requested and remained within budget)
- Demonstrated a strong urban village-style design – most preferred response from Design Review Panel
- Showed they can complete the project using overseas manufactured modularity made by their own company and have shipping/ installation capabilities and can provide all required licences/ permits/ certifications to Australian standards;
- Showed exceptional amenity and landscape design
- Agreed that a medium-density proposal is best use of the site and maximised the use of the available land through multi-storied approach.

It is recommended Council award the tender based on the evaluation panel's recommendation. There is unlikely to be an ability to further extend the preferred tenderer's bid at the current price as it is a fixed price contract and the risk of cost escalation in current geopolitical circumstances is significant, primarily due to fuel shortages, interest rate environment and resulting escalation in construction costs.

Officer Recommendation Part 2: External Funding

Government Funding

A range of advocacy initiatives have been undertaken to secure State and Commonwealth funding to support delivery of the Key Worker Housing Project, with positive outcomes achieved to date. Advocacy has included face-to-face meetings with the Minister for Housing, Hon. John Carey MLA, ongoing engagement with Ministerial advisers, and hosting a housing roundtable with the then Federal Minister for Housing, the Hon. Julie Collins MP, during a Federal Cabinet visit to the Pilbara. Engagement has also occurred with Housing Australia Future Fund representatives, alongside direct correspondence to the then Minister for Housing outlining eligibility constraints associated with Commonwealth funding programs.

As a result of this advocacy, \$4.5 million has been secured through the State Government's Infrastructure Development Fund to support civil and headworks components of the project. An application for \$10.1 million under the Housing Support Program was submitted but was unsuccessful. Separately, the State Government has allocated \$22 million from the Port Hedland Voluntary Buyback Scheme to support housing development within Port Hedland. The Town has actively lobbied relevant Ministers for a direct allocation of \$3 million from this funding towards the Key Worker Housing Project, and this funding has now been confirmed (refer Attachments 10 and 11).

In addition, the Town continues to pursue further potential State and Commonwealth funding opportunities identified through recent engagement and briefing material presented to Council. While these funding sources have not yet been confirmed and are not relied upon in the current business case, any additional external funding secured would represent an upside for the project by further reducing the Town's net capital contribution and overall financial exposure.

The Town currently has an outstanding \$5 million grant application through the Regional Housing Support Fund (RHSF), which is yet to be announced. Due to the construction tender validity window and other funding partner expiry dates, the Town is unable to wait for the determination of the RHSF funding application, but there is still a chance the application will be successful. If successful, the RHSF application would further reduce the Town's contribution.

Port Haven Entitlement & BHP Funding

The Town's access to workforce accommodation at BHP's Port Haven facility is provided under a long-standing entitlement established in 2008, allowing use of specific room types at subsidised rates, subject to eligibility and booking conditions. The entitlement provides theoretical access to 80 rooms per night (approximately 29,200 room nights per year), comprising:

- Rate 8 rooms – 5 rooms free of charge, excluding meals; access restricted to Town of Port Hedland and not-for-profit use
- Rate 7 rooms – \$140.08 per night, excluding meals

- Rate 9 rooms – \$80.84 per night, excluding meals; emergency services only
- Rate 11 rooms – \$174.26 per night, including meals

Independent analysis by Deloitte confirms that, despite the scale of the entitlement, actual utilisation has remained consistently low, increasing only marginally from approximately 1.0% in 2023 to 2.2% in 2025. Over the three-year period from 2023 to 2025, total realised savings were approximately \$256,000. Deloitte identified that low utilisation is primarily driven by the requirement for a minimum 30-day booking notice, which materially limits the Town's ability to use the accommodation for short-notice works, emergency response or rapidly mobilised projects. The analysis also found no meaningful correlation between industrial activity levels and use of the entitlement, confirming that demand is narrow and unpredictable.

Based on actual usage rather than theoretical capacity, Deloitte assessed the Net Present Value of the Port Haven entitlement at \$0.32–\$0.54 million over the remaining term to 2029, or \$0.83–\$2.48 million if extended through the optional renewal period to 2039. This analysis demonstrates that the realised financial value of retaining the entitlement is modest and constrained by factors outside the Town's control.

In response to these findings, BHP has proposed a \$10 million contribution toward the Town's KWH Project, recognising the project's role in delivering long-term housing outcomes aligned with community and workforce needs. While BHP has articulated the contribution as separate from the Town's historic Port Haven entitlement, the two matters are intrinsically linked in practical terms. The proposed funding provides an opportunity for Council to transition away from an underutilised and operationally constrained entitlement and redirect its residual value into a permanent housing asset. When considered alongside Deloitte's independently assessed value of the Port Haven entitlement based on actual usage, acceptance of the contribution represents strong value for money and a rational, defensible reallocation of resources consistent with the Town's contemporary strategic priorities.

Relinquishment of the entitlement is not expected to materially inconvenience industry or contractors, as short-term workforce accommodation supply in Port Hedland is now comparatively well provided for by alternative facilities. Transitional arrangements, to be finalised by the Chief Executive Officer, will support affected users during the wind-down of the entitlement and ensure an orderly conclusion of the existing access arrangements.

Implementation of the proposed arrangement will be progressed through appropriate legal and commercial instruments, as outlined in Attachment 8. The Chief Executive Officer will be authorised to finalise negotiations and execute all necessary documentation to give effect to the contribution and associated transitional arrangements.

While eligibility criteria for the KWH Project will be clearly articulated and documented to satisfy funding requirements, it is intended that the final determination and administration of eligibility and allocation outcomes will remain within the Town's governance framework and operational control to ensure alignment with Council policy objectives and statutory responsibilities.

Officer Recommendation Part 3: Operating Model

All operating and management assumptions for the Key Worker Housing (KWH) Project, including governance, risk allocation and commercial settings, are documented and tested within the updated business case included in Attachment 12.

External Legal Advice – Key Worker Housing Management Model

External legal advice has been received regarding the permissible operating and management model options for the Key Worker Housing (KWH) Project. The advice supports a structured and deliberate approach and cautions against reliance on a default “standard property management” assumption, given the scale, sensitivity and long-term nature of the project.

The advice concludes that, on balance, a management contract model with a not-for-profit Community Housing Provider (CHP) is preferred. This approach is identified as lower risk than a leasing or head-lease arrangement, in circumstances where the Town would otherwise relinquish a higher degree of control and where remuneration, risk allocation and governance arrangements become materially more complex. The advice further confirms that direct negotiations with a not-for-profit CHP are exempt from the requirements of open tendering under Regulation 30 of the *Local Government (Functions and General) Regulations 1996*.

In parallel with obtaining legal advice, officers have engaged with operators of comparable key worker housing developments in Karratha, including arrangements involving DevelopmentWA and the City of Karratha, to better understand practical operational considerations. This work has reinforced that the most appropriate management model may require refinement over time in response to changing market conditions, operational demands and Council’s evolving risk appetite, and that flexibility should be preserved where possible.

The legal advice also notes that where the Town engages a third party to undertake leasing and day-to-day management functions on its behalf, licensing obligations may apply under the *Real Estate and Business Agents Act 1978*, unless an exemption applies through the use of a not-for-profit CHP operating within an appropriate statutory framework.

In considering the available options, it is recognised that the operating model is a foundational decision with material implications for the Town’s legal exposure, compliance burden, reputational risk, and its ability to manage contested eligibility, allocation and tenancy outcomes over the life of the asset. In summary:

- Direct Town operation presents the highest governance and risk exposure, as the Town would be the landlord and primary decision-maker for allocation, tenancy management and dispute resolution, with associated Residential Tenancies Act exposure and reputational risk.

- Outsourced “standard” property management reduces some administrative functions but does not materially shift risk, as the Town would remain accountable for eligibility, allocation and policy decisions.
- Leasing or head-lease arrangements reduce operational involvement but involve greater relinquishment of control and more complex commercial structures, and are assessed as less preferred than a management contract approach with a not-for-profit CHP.

Consistent with this advice, and to enable a decision pathway that is risk-based and defensible, officers have commenced preliminary discussions with Foundation Housing regarding the potential structure of a management agreement. These discussions are exploratory only and are intended to inform Council’s consideration of management model options that vary in terms of control, risk allocation and operational responsibility.

To translate the legal advice into an informed Council decision, it is proposed that Council resolves for the Chief Executive Officer be authorised to negotiate the terms of a proposed Management Agreement with Foundation Housing, without commitment, and to bring a further report to Council presenting a preferred management model and alternative options for Council’s endorsement.

It is anticipated that eligibility criteria for dwelling allocation will be addressed in the operating model, which will include the potential for any dwellings in excess of the minimum 40 tendered to consider forecasted local government staff housing demand, being classified as key workers affected by local housing market pressures. If this materialises, the project will not only address a community housing need, but will contribute toward addressing an organisational need, to ease cost pressures and support reallocation of staff housing toward community infrastructure and programs.

Major Land Transaction – Section 3.59 (Business Plan)

Further external legal advice has been obtained regarding the requirement to prepare and readvertise a business plan under section 3.59 of the Local Government Act 1995 (WA).

The advice confirms that Council previously prepared and advertised a business plan in March 2024 for the proposed acquisition and development of Lot 5996 Cottier Drive, South Hedland, and resolved to proceed on 29 May 2024. The advice applies the statutory test of whether the current proposal is “significantly different” from that previously considered and concludes that it is not, noting that the site, purpose, nature of development and management concept remain fundamentally consistent with the earlier business plan.

On this basis, the legal advice confirms that readvertising of the business plan under section 3.59(2) or (6) is not required for the development as presently proposed.

It is important to distinguish that the Business Plan detailed above does not need to be updated for the purpose of compliance with the *Local Government Act 1995* and

transaction requirements, but the Business Case (included as Attachment 12) has been updated with all financial assumptions to provide as clear picture as possible on the modelled financial impact of the project to support Council's decision making.

LEVEL OF SIGNIFICANCE

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

- Significant - Any transfer of ownership or control or the constructions, replacement or abandonment of a strategic asset.
- Significant - A decision that will significantly affect the capacity of the Council to carry out any activity identified in the strategic plan.
- Significant - A decision that will significantly affect the cost to Council to carry out any activity identified in the strategic plan.
- Significant - Any issue, proposal, decision or other matter that will substantially affect a wide range of people who reside in Port Hedland.
- Significant - The degree to which a decision or issues are difficult to reverse.
- Significant - The matter will have implications for the present and future social, economic, environmental, and cultural well-being of Port Hedland.

CONSULTATION

Internal

Significant internal consultation has occurred on this item through Project Steering Committee meetings and Executive Leadership Team (ELT).

- Chief Executive Officer
- Director Infrastructure Services
- Acting Director Community Services
- Acting Director Corporate Services
- Manager Finance
- Manager Governance
- Manager Public Affairs
- Acting Manager Planning and Economic Development
- Principal Economic Development and Tourism
- Senior Project Manager
- Asset Management team
- Finance team
- Procurement team

External Agencies

- APP Group
- BHP
- Cadds Group

- City of Karratha
- Deloitte
- DevelopmentWA
- Foundation Housing
- Hedland Maritime Initiative
- Malcom Mackay Urban design
- McLeods Lawyers
- Norda Architects
- Rawlinsons cost consultancy
- Stantons
- WALGA

Community

Community and Sector Consultation Insights

To ensure the (KWH) project remains aligned

to demonstrated community and industry need, officers have undertaken preliminary discussions and data gathering with local community groups, major employers, and essential service providers. While further targeted consultation is planned as part of the next decision gateway, initial engagement has identified the following themes:

Community-Level Insights

- Persistent feedback from residents regarding lack of rental availability, increased housing insecurity, and impacts on service delivery and liveability.
- Community service organisations and volunteer groups report reduced program continuity due to staff turnover linked to housing instability.
- Younger workers, families and new residents consistently identify accommodation as the major barrier to settling in Port Hedland.

Business Sector Demand Validation

- Local businesses (retail, hospitality, trades and SMEs) continue to experience chronic staffing shortages linked to unaffordable or unavailable housing.
- Employers indicate that housing access has a direct impact on their ability to recruit, retain and expand operations, affecting economic productivity.
- Several medium-sized businesses have indicated intentions to co-contribute or partner subject to final model design and rent settings.

Feedback from Essential Service Providers

- Schools report educator and support staff turnover driven by insecure and short-term housing.
- Childcare providers identify housing as the single greatest barrier to meeting local demand for early years services.
- Health, aged-care and disability service organisations (including NGO providers) cite accommodation shortages as a critical risk to service continuity and a driver of workforce reliance on FIFO/short-term contracts.
- These sectors emphasise the importance of transparent allocation principles to ensure equity and clarity in the eligibility process.
- Implications for the KWH Project

Feedback across community, business and essential services strongly supports:

- progressing a stable, affordable housing solution targeted at key workers;
- ensuring the management model avoids politicisation of allocation decisions;
- maintaining flexibility in tenancy mix settings to respond to sector-specific shortages; and
- demonstrating fiscal responsibility and risk-appropriate governance to maintain public confidence.

LEGISLATION AND POLICY CONSIDERATIONS

- Local Government Act 1995 (WA)
 - Section 3.59 – Major land transactions (business plan preparation, advertising and readvertising test).
 - Section 3.59(2) and 3.59(6) – Consideration of whether the proposal is “significantly different”.
 - Section 3.73 – Caretaker period restrictions and “significant act” provisions.
 - Section 3.57 – A local government is required to invite tenders before entering into a contract of a prescribed kind for the supply of goods or services.
- Local Government (Functions and General) Regulations 1996 (WA)
 - Regulation 30 – Procurement exemption for direct negotiation with not-for-profit organisations (Community Housing Providers).
- Real Estate and Business Agents Act 1978 (WA)
 - Licensing and registration requirements where third parties undertake leasing or property management functions (including triennial certificate requirements).
- Residential Tenancies Act 1987 (WA)
 - Tenancy management, landlord obligations, dispute resolution and compliance exposure where the Town retains landlord or allocation decision-making responsibilities

All procurement, property acquisition and legislative obligations have been complied with. Further, the Town has engaged a suitably qualified probity advisor to provide probity support throughout the construction tender process.

FINANCIAL AND RESOURCE IMPLICATIONS

Capital Impact

The \$820,000 cost of acquiring the land is already included in the 2025/26 budget as part of a previous Council decision, which will be a carryover toward the 2026/27 budget. The overall design and construction project cost is estimated at \$40 million (comprising \$38.5 million for construction and \$1.5 million for contingencies), excluding land purchase. This is to be funded with \$17.5 million in secured grant funding (BHP \$10 million, IDF \$4.5 million and HMI \$3 million) and the balance of \$22.5million to be funded by the Town from its Strategic Reserve.

There is \$40m allocated in the Town’s currently adopted Long Term Financial Plan (LTFP) (2022-2037). This has been updated recently in a new Draft LTFP which will be presented to Council shortly for adoption. The proposed funding sources for the project are outlined below, as contemplated in the Draft LTFP which has been workshopped with Council in April and May 2026. The Draft LTFP has been used for the purpose of below as the 2022 LTFP is somewhat outdated and Council has been briefed to date on the new Draft LTFP.

Account	Description	Current Budget	Draft LTFP 26/27	Draft LTFP 27/28	TOTAL Budget
Strategic Reserve/ Carry Forward Carry Forward reserve	Carry Forward	\$5,116,715	\$10,000,000	\$7,383,285	\$22,116,715
IDF Grant	Secured Grant Funding	\$4,500,000			\$4,500,000
Hedland Maritime Initiative	Grant funding		\$3,000,000		\$3,000,000
BHP	Port Haven Deed of Release		\$10,000,000		\$10,000,000
10033 Key Worker Housing Project	Capital Works	\$9,616,715	\$23,000,000	\$7,383,285	\$40,000,000

To achieve full project funding, including the external grant funds confirmed, it is proposed to use the Town's Strategic Reserve and its source funding via the Rating Strategy 2025 – 2030.

Operating Impact

The operating impact is not annually considered in the Town's Draft Long Term Financial Plan (LTFP) as the project has not yet been committed. If Council commits to the project, as indicated in the business case, the modelled rent is approximately \$39m over a 20 year operating period, with approximately \$39m in operating costs. Modelled future sale of the houses will equate to approximately \$41m, the proceeds from any future sale are recommended to be returned to the Strategic Reserve, ensuring reinvestment into community infrastructure and maintaining financial capacity for future projects. The LTFP will need to be updated with these assumptions if the project is committed to, and following execution of an operating agreement. These changes will be captured in the LTFP if the project is committed to, which is anticipated to occur annually.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan:

The following sections of the Town's *Council Plan 2025-2035* apply in consideration of this item:

Our Community: We honour our people and our cultural heritage – ensuring wellbeing, diversity, creativity and strong civic engagement and dialogue.

1.2 Inclusive and involved community

1.3 A unique, vibrant and diverse community lifestyle

Our Economy: We build prosperity for all – enabling sustained and diversified economic and employment growth.

2.1 Business and job growth

2.4 Infrastructure for growth

Our Natural and Built Environment: We treasure and protect our natural environment and provide sustainable and resilient infrastructure and built form.

3.2 Safe and fit-for-purpose built environment

3.3 Accessible, attractive and sustainable urban environment

Our Leadership: We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

4.2 Transparent and accountable governance and financial sustainability

4.3 Effective delivery of services and infrastructure to meet community needs.

Environmental

The environmental implications of the Key Worker Housing Project are primarily associated with its design, construction, and long-term operation within the South Hedland context. The project will be required to comply with climatic design requirements under the Residential Design Codes, National Construction Code, and relevant Australian Standards, which helps ensure that buildings are suited to the Pilbara's harsh environmental conditions, including extreme heat and weather variability. The use of modular construction (including overseas prefabrication) also has environmental considerations: while it can reduce on-site waste, construction time, and local disturbance, it introduces impacts related to transportation emissions and the embodied energy of prefabricated materials. Additionally, the shift toward a medium-density, multi-storey "urban village-style" design may support more efficient land use and reduced urban sprawl, which is a positive outcome for limiting land clearing and preserving surrounding natural environments.

From an operational perspective, the project contributes to broader environmental sustainability by enabling a more stable, locally based workforce, potentially reducing reliance on fly-in fly-out (FIFO) arrangements. This can lower transport-related emissions associated with frequent air travel while supporting more sustainable patterns of living in the region. Furthermore, by delivering purpose-built, modern housing stock, the development creates opportunities for improved energy efficiency, water management, and climate-responsive design compared to older housing in the area.

The project will be required to meet climatic design requirements outlined in the Residential Design Codes, National Construction Code and relevant Australian Standards.

Economic

The Town commissioned The APP Group to provide a Socio-Economic Impact Assessment in August 2023 and January 2026 which articulates the benefits of the South Hedland Service Worker Housing project. It illustrates the following economic benefits to the Hedland community:

- \$19 million increase per annum to the Port Hedland economy. This assessment is based on a demographic of workers that are neither mining or transport who will benefit from this development.
- \$16.6m in potential labour cost savings as a result of reducing service worker labour cost growth over a 5 year period.
- 2.5% potential reduction in rental prices if 100% of the development is released to the market as Service Worker and subsidised accommodation.

Social

The Town commissioned The APP Group to provide a Socio-Economic Impact Assessment in August 2023 and January 2026 which articulates the benefits of the South Hedland Service Worker Housing project. It illustrates the following social benefits to the Hedland community:

- The project has the potential to reduce the social and community service worker gap by circa 12.6%, alleviating pressure on community services including childcare and NFP sectors.
- The project has the potential to unlock an enhanced offering of rental services via the expansion of operating hours and/or the delivery of new, or extension of existing, anchor or specialty stores, given improved availability of housing for employees.
- A more stable and permanent resident population will enable the development and/or re-establishment of community groups and services in addition to contributing to greater business confidence.
- The project has the potential to further increase community diversity.
- Local participation in sport is expected to increase by 100 people. Consultations with local community groups and businesses has highlighted the steady decline in the volume of individual participating in sports in the Town of Port Hedland over recent years prior to 2023 due to an insufficient volume of players and volunteers to support the operation of clubs.

Access and Inclusion

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

- Outcome 2 – Buildings and Facilities

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational Strategic Project
Risk Category	Financial Service Interruption Reputational
Cause	Delay or failure to progress the Key Worker Housing Project to contract and delivery within the current tender validity and funding timeframes, combined with an ongoing structural shortage of affordable housing for essential workers in Port Hedland.

	Perceived lack of transparency, independence or robustness in the future management and allocation model for key worker housing dwellings.
Effect (Consequence)	Continued inability to attract and retain key workers, resulting in disruption to essential services (including health, childcare, education and local government), increased reliance on FIFO or short-term labour arrangements, escalation of workforce costs, loss of secured external funding opportunities, and adverse reputational impact to the Town arising from failure to act on a well-evidenced community and economic issue. Reputational damage to Council, increased public or stakeholder scrutiny, contested allocation decisions, and reduced confidence in the Town’s ability to manage housing assets fairly and effectively.
Risk Treatment	Approval of the updated business case, award of the construction tender within the tender validity period, acceptance of secured third-party funding contributions, and progression of a risk-appropriate operating model (including negotiation with a Community Housing Provider) supported by independent legal, financial and probity advice and future Council decision gateways.
<p>There are Operational, Strategic and Project risks associated with this item caused by delays or failure to proceed with delivery of the Key Worker Housing Project in a context of ongoing structural housing shortage, leading to sustained service disruption, foregone funding, and reputational harm to the Town. The risk rating is considered to be High (16), determined by a likelihood of Likely (4) and a consequence of Major (4).</p> <p>This risk will be treated by approving and progressing the recommended procurement, funding and operating model decisions, supported by staged governance, contractual controls and ongoing Council oversight.</p>	

OPTIONS

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

CONCLUSION

The Key Worker Housing Project represents a decisive and well-considered intervention to address a clearly evidenced and persistent housing market failure that is materially constraining service delivery, liveability and economic participation in Port Hedland. The recommendations before Council bring together a robust, independently tested business case, a competitive and defensible procurement outcome, secured third-party funding contributions, and a prudent pathway to establishing a

fit-for-purpose operating model that appropriately balances control, risk and long-term sustainability.

Importantly, the project is fully funded, does not increase debt or impose additional rate burden, and converts time-limited or under-utilised arrangements into a permanent community housing asset that will deliver lasting benefits to essential services and the broader community. Endorsing the officer recommendations provides Council with a clear, lawful and financially responsible pathway to progress this once-in-a-generation investment, while retaining appropriate governance oversight and future decision gateways as the project moves into delivery and operation.

ATTACHMENTS

1. CONFIDENTIAL - Evaluation Report [**12.3.5.1** - 279 pages]
2. CONFIDENTIAL - Preferred Tender [**12.3.5.2** - 36 pages]
3. CONFIDENTIAL - Preferred Tender - Concept Design [**12.3.5.3** - 33 pages]
4. CONFIDENTIAL - Cost Plan [**12.3.5.4** - 4 pages]
5. CONFIDENTIAL - Probity Advisor Report [**12.3.5.5** - 2 pages]
6. CONFIDENTIAL - Legal Advice - Major Land Transaction Business Plan [**12.3.5.6** - 5 pages]
7. CONFIDENTIAL - Legal Advice - Management Model Options [**12.3.5.7** - 13 pages]
8. CONFIDENTIAL - BHP Letter - Key Worker Housing Project Funding [**12.3.5.8** - 2 pages]
9. CONFIDENTIAL - BHP Letter - Key Worker Housing Project Funding - Clarification [**12.3.5.9** - 1 page]
10. CONFIDENTIAL - HMI Letter - Key Worker Housing Project Funding [**12.3.5.10** - 2 pages]
11. CONFIDENTIAL - HMI Letter - Key Worker Housing Project Funding - Clarification [**12.3.5.11** - 1 page]
12. CONFIDENTIAL - Key Worker Housing Business Case - May 2026 [**12.3.5.12** - 33 pages]

12.4 Infrastructure Services

12.4.1	Rose Nowers Early Learning Centre Expansion
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Author: Project Manager

Authorising Officer: Director Infrastructure Services

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

Mayor Behrend and Deputy Mayor Melville declared an Impartiality Interest in this item.

ORIGINAL OFFICER'S RECOMMENDATION

MOVED: Cr Little

SECONDED: Cr McDowall

That Council in respect to the Rose Nowers Early Learning Centre Expansion:

1. Authorises the Chief Executive Officer (CEO) to invite tender for the construction of the project in accordance with the scope outlined in this report.
2. Authorises the CEO to negotiate a lease variation with the lessee to formalise redevelopment arrangements and manage temporary impacts.
3. Requests the CEO to seek grant and industry funding for the project.
4. Notes the JD Hardie Masterplan identifies Stage 4 as a standalone childcare Centre, with progression subject to future Council consideration.
5. Notes the current design excludes rooftop solar and supports its consideration as a future stage, subject to funding, to avoid delays to delivery.

CM202627/187 AMENDED OFFICER'S RECOMMENDATION SUBSTANTIVE MOTION AND COUNCIL RESOLUTION

MOVED: Deputy Mayor Melville

SECONDED: Cr Butson

That Council removed sections 4 and 5 from the officer's recommendation and replace them with a new Part 4.

1. **Authorises the Chief Executive Officer (CEO) to invite tender for the construction of the project in accordance with the scope outlined in this report.**
2. **Authorises the CEO to negotiate a lease variation with the lessee to formalise redevelopment arrangements and manage temporary impacts.**

- 3. Requests the CEO to seek grant and industry funding for the project.**
- 4. Request CEO to prepare a workshop for council briefing session for the end of October 2026 on the matter of child care needs in the Town of Port Hedland workshop.**

THE AMENDED MOTION BECAME THE SUBSTANTIVE MOTION WHICH WAS CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is to seek Council endorsement to invite public tenders for the construction of the Rose Nowers Early Learning Centre Expansion project, in accordance with the scope of works outlined in this report, and to authorise the CEO (or authorised delegate) to pursue and negotiate relevant grant and industry funding opportunities to support delivery of the project.

The report also provides context regarding the limitations of the existing lease provisions and the need to formalise arrangements with the lessee through a side deed to enable delivery of redevelopment works within an operational facility and to manage associated temporary impacts.

In addition, the report notes the JD Hardie Masterplan pathway, which identifies Stage 4 as the delivery of a standalone childcare centre, and acknowledges that this component is not being progressed at this time, with progression of Stage 4, including the ultimate use of the earmarked land, subject to future Council consideration and decision.

Any contract award and final funding approval will be presented to Council for consideration through a future report and the 2026/27 Annual Budget process.

DETAIL

Background and previous Council decisions

The Rose Nowers Early Learning Centre Expansion project, designed by H+H Architects, was previously considered and supported by Council in March 2024.

At its March 2024 meeting, Council endorsed the proposed additions and alterations to the existing child care centre through approval of the Development Application (DA 2023/171) under Resolution CM202324/229 – Proposed Additions and Alterations to Existing Child Care Centre Use (Rose Nowers Early Learning Centre), Lot 2791 Boronia Close, South Hedland.

At the same meeting, Council also resolved under CM202324/230 to endorse the project progressing subject to the securing of matching funding. At that time, external grant and industry funding opportunities were investigated; however, funding was not able to be secured.

Following the Council's last endorsement, the project did not progress to construction due to the absence of confirmed matching funding. During this period, the Town continued to monitor and assess potential funding opportunities

Current context and next steps (tender and funding)

Since Council's previous consideration, industry funding and grant opportunities have emerged, providing the basis for seeking Council endorsement to invite public tenders for construction and authorisation to negotiate relevant funding and agreements.

The invitation of public tenders does not commit the Town to the award of a construction contract. The Town will not proceed with the award of any construction contract, nor the commencement of works, unless and until all required project funding is secured. This includes confirmation of external funding contributions and formal adoption of the necessary budget allocations through the 2026/27 Annual Budget process.

Any recommendation to award a contract will be the subject of a subsequent report to Council, which will detail the tender outcomes, confirmed funding position, and any associated risks, to enable an informed decision on whether to proceed.

JD Hardie Masterplan context (Stage 4)

The Town's JD Hardie Masterplan identifies Stage 4 of the development as the design and construction of a new childcare centre within the masterplan lot boundary, located to the east of the JD Hardie Centre on the portion of land earmarked for a childcare facility.

In 2025/26, the Town undertook a feasibility estimate for the design and construction of a new standalone childcare centre at this location, which indicated an estimated project cost in excess of \$17 million. This estimate highlighted that delivery of a new centre would require a substantially higher level of capital investment and a longer delivery timeframe compared to expanding the existing Rose Nowers facility.

Given the cost and delivery implications identified through the feasibility estimate. Stage 4 is not proposed to be progressed at this time. Progression of this stage, including the ultimate use of the earmarked land, will be subject to further assessment and future Council consideration and decision

Lease and access arrangements (side deed)

Noting the Town is progressing the Rose Nowers expansion within the existing leased facility, appropriate tenure and access arrangements are required to support delivery of the staged works.

The existing lease provisions do not adequately cover a project of this scale and complexity. In particular, they do not address the practical requirements associated with staged construction works within an operational childcare facility, including coordinated access, management of disruption, safety responsibilities, and the maintenance of ongoing operations.

While the lease contains a standard right of entry for the Town to access the premises and carry out works, that right is limited in nature. The clause is generally framed around entry on reasonable notice for inspection, maintenance and repair, and other

works the Town considers necessary. The right must also be exercised so as to cause as little inconvenience as reasonably possible.

Given that the proposed works are intended to be delivered in stages with the centre remaining operational throughout construction, there is an increased need for clearly defined and mutually agreed arrangements between the Town and the lessee.

The current lease is due for renewal in August 2026, with an option for the lessee to renew for a further five (5) years. This timing reinforces the need to clarify and formalise arrangements for delivery of the redevelopment works through a side deed alongside the lease renewal process.

Accordingly, it is recommended that the Town formalise this arrangement. This is proposed to be achieved through a side deed dealing specifically with the redevelopment works, enabling the parties to establish agreed responsibilities in relation to construction activities and associated impacts, without materially altering the underlying commercial position of the existing lease.

Environmental Sustainability Strategy alignment (solar)

The current design does not fully align with the Town's Environmental Sustainability Strategy 2022–2027. In particular, Focus Area 1: Energy and Climate Change, Action 3 states that, where appropriate, rooftop solar is to be installed on any new or newly refurbished Town facility.

The design for the project commenced prior to the adoption of the Environmental Sustainability Strategy and, as a result, the incorporation of rooftop solar was not included as part of the initial design development.

At this stage of the project, undertaking a redesign to incorporate solar infrastructure is not recommended, as this would introduce significant delays to the project program and impact the timely delivery of additional childcare capacity.

Accordingly, it is proposed that solar infrastructure be considered a future stage of works, following completion of the current project. This approach will enable the Town to explore and leverage available grant and funding opportunities to support delivery, while progressing the project without further delay.

Project Summary

The Rose Nowers Child Care Centre Expansion Project seeks to address current and forecast demand for early learning and childcare services within the Town by significantly increasing childcare capacity at the existing facility. The expansion will deliver an additional 91 childcare places, increasing the centre's capacity from 43 to 134 approved places.

Program / age group	Current approved places	Proposed approved places (post-works)
Age group 0–2 years	12	25
Age group 2–3 years	15	32
Age group 3–5 years	16	37
OSHC (age group 5+ years)	0	40
Total	43	134

The project comprises building extensions and internal reconfiguration works to improve the functionality, safety, and operational efficiency of the existing centre. No upgrades or expansion of outdoor play areas are proposed as part of the scope.

Upon completion, the expanded facility will increase access to early learning and care services within the community, support workforce participation, and contribute to the provision of essential community infrastructure. The project represents a strategic, long-term investment by the Town that aligns with the Strategic Plan objective of delivering well-utilised and valued community facilities.

In 2021, the Town commissioned Child Australia to undertake an assessment of current and future childcare needs within Hedland. The findings of this assessment identified a shortfall of approximately 380 childcare places across the locality, highlighting the need for additional early learning and care capacity.

On 8 March 2023, Rose Nowers Early Learning Centre presented a proposal to expand the existing facility to Council, outlining an opportunity to increase childcare capacity and respond to identified community demand.

At its March 2024 meeting, Council endorsed the proposed additions and alterations to the existing child care centre through approval of the Development Application (DA 2023/171) under Resolution CM202324/229 – Proposed Additions and Alterations to Existing Child Care Centre Use (Rose Nowers Early Learning Centre), Lot 2791 Boronia Close, South Hedland. At the same meeting, the Council also resolved under CM202324/230 to endorse progression of the project subject to the securing of matching funding. At that time, external grant and industry funding opportunities were investigated

In 2025 the Town, BHP and Fortescue engaged Child Australia to carry out an updated childcare needs assessment. From those findings, the current short fall is approximately 350 placements.

LEVEL OF SIGNIFICANCE

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

- Significant - Any issue, proposal, decision or other matter that will substantially affect a wide range of people who reside in Port Hedland.

- Significant - The matter will have implications for the present and future social, economic, environmental, and cultural well-being of Port Hedland.

CONSULTATION

Internal

- Director Infrastructure Services
- Manager Infrastructure Projects & Assets
- Project Manager
- Director Community Services
- Manager Youth and Community Development
- Senior Funding & Partnerships Officer
- Manager Public Affairs
- Leasing Officer

External Agencies

- Howard & Heaver Architects (H+H Architects)
- McLeods Lawyers

Community

- Rose Nowers Early Learning Centre

LEGISLATION AND POLICY CONSIDERATIONS

Should the Officers' recommendation be supported, the tender process would comply with Section 3.57 of the Local Government Act 1995 when tendering for construction.

Other Council policies have been considered in relation to this item:

- 2/007 Procurement Policy and;
- 4/009 Significant Decision Making

FINANCIAL AND RESOURCE IMPLICATIONS

There is no direct financial implication associated with the Officers' recommendation.

The pre-tender construction estimate for the Rose Nowers Childcare Expansion project is currently \$9M.

This project is expected to be funded by the Town’s strategic reserve, funding partners, and grants. The following table sets out the expected funding for the project.

Source	Total
Strategic Reserve	\$3,000,000
Grants And Agreements	\$6,000,000
Total	\$9,000,000

A further report will be presented to Council to consider the Award of the works and approval of funding. Future operational and maintenance costs for the Town for the expanded Rose Nowers Early Learning Centre will be identified and incorporated into the Long-Term Financial Plan.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town's *Council Plan 2025-2035* applies in consideration of this item:

Our Economy:

2.5.3 Invest and develop key community and recreation infrastructure.

Strategic Community Plan

The following sections of the Council's Strategic Community Plan 2022-2032 are applicable in the consideration of this item:

- 1.2 An inclusive and involved community
- 1.4 Well-utilised and valued community facilities and services
- 2.2 Enhanced local training and workforce opportunities
- 2.5 Improved infrastructure development
- 4.3 Effective delivery of services and infrastructure to meet community needs

Community Development Plan 2022 – 2027

- 6. Addressing early years support needs.
- 4. Creating powerful partnerships.

Access and Inclusion

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

- Outcome 2 – Buildings and Facilities

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Project
Risk Category	Reputational
Cause	Delay in progressing to tender despite Council endorsement and community expectation.
Effect (Consequence)	Loss of public confidence and stakeholder trust in the Town’s ability to deliver endorsed projects
Risk Treatment	Proceeding with the tender process in accordance with endorsed timelines
<p>There is a Project risk associated with this item caused by delay in progressing to tender despite Council endorsement and community expectation, leading to loss of public confidence and stakeholder trust in the Town’s ability to deliver endorsed projects.</p> <p>The risk rating is considered to be High (12) which is determined by a likelihood of Likely (4) and a consequence of Moderate (3).</p> <p>This risk will be avoided by the Town proceeding with the tender process in accordance with endorsed timelines.</p>	

Risk Type	Project
Risk Category	Financial
Cause	Missed opportunity to utilise grant and industry funding.
Effect (Consequence)	Potential loss of external funding resulting in an increase to the Towns strategic reserve contributions
Risk Treatment	Initiating the tender process to maintain project momentum and funding eligibility
<p>There is a Project risk associated with this item caused by missed opportunity to utilise secured grant funding within required timeframes, leading to potential loss of external funding, resulting in increased municipal financial burden.</p> <p>The risk rating is considered to be Extreme (20) which is determined by a likelihood of Almost Certain (5) and a consequence of Major (4).</p> <p>This risk will be avoided by initiating the tender process to maintain project momentum and funding eligibility.</p>	

Risk Type	Project
Risk Category	Compliance
Cause	Existing lease does not adequately address major construction works within an operational facility
Effect (Consequence)	Disputes with lessee, delays to works, or inability to access site as required
Risk Treatment	Negotiate and execute a side deed to formalise access, responsibilities, and operational arrangements prior to construction
<p>There is a Project risk associated with this item caused by the existing lease not adequately addressing major construction works within an operational facility, leading to potential disputes with the lessee, delays to works, or an inability to access the site as required.</p> <p>The risk rating is considered to be High (12) which is determined by a likelihood of Likely (4) and a consequence of Moderate (3).</p> <p>This risk will be avoided by negotiating and executing a side deed to formalise access, responsibilities, and operational arrangements prior to construction.</p>	

Risk Type	Project
Risk Category	Health & Safety
Cause	Construction works being undertaken while the childcare centre remains operational
Effect (Consequence)	Increased risk of safety incidents involving staff, children, or contractors
Risk Treatment	Staged works, contractor WHS plans, strict site separation, and clear coordination protocols with operator
<p>There is a Project risk associated with this item caused by construction works being undertaken while the childcare centre remains operational, leading to an increased risk of safety incidents involving staff, children, or contractors.</p> <p>The risk rating is considered to be High (15) which is determined by a likelihood of Likely (3) and a consequence of Major (5).</p> <p>This risk will be avoided by implementing staged works, contractor WHS management plans, strict site separation, and clear coordination protocols with the operator.</p>	

Risk Type	Strategic
Risk Category	Environmental
Cause	Design does not fully align with Environmental Sustainability Strategy (solar not included)
Effect (Consequence)	Missed opportunity to reduce emissions and energy costs; perceived misalignment with Council strategy
Risk Treatment	Commit to future-stage solar installation and pursue external grant funding post-delivery
<p>There is a Strategic risk associated with this item caused by the current design not fully aligning with the Town’s Environmental Sustainability Strategy, specifically the exclusion of solar infrastructure, leading to missed opportunities to reduce emissions and operational energy costs, and a perceived misalignment with Council’s strategic objectives.</p> <p>The risk rating is considered to be Moderate (9) which is determined by a likelihood of Possible (3) and a consequence of Moderate (3).</p> <p>This risk will be mitigated by committing to the future installation of solar infrastructure and pursuing external grant funding opportunities post-delivery of the project.</p>	

OPTIONS

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

CONCLUSION

The Rose Nowers Early Learning Centre Expansion project responds to demonstrated shortfalls in local childcare capacity by increasing the centre’s approved places from 43 to 134 and improving the functionality and operational efficiency of an existing, well-utilised community facility.

The Town’s JD Hardie Masterplan identifies a longer-term pathway for delivery of a standalone childcare centre (Stage 4); however, a 2025/26 feasibility estimate indicated the cost of a new centre would be in excess of \$17 million and would require a significantly higher level of capital investment and longer delivery timeframe.

With grant and industry funding opportunities now available, progressing to public tender will maintain project momentum and preserve eligibility for external contributions, while not committing the Town to the award of a contract. In parallel, given the lease is due for renewal in August 2026 (with an option for the lessee to renew for a further five (5) years), a side deed is recommended to formalise access, responsibilities and management of operational impacts during staged construction. Noting the current design does not include solar infrastructure in alignment with the Environmental Sustainability Strategy 2022–2027, it is proposed this be considered as a future stage following delivery to avoid delays to urgently needed additional childcare capacity.

Council endorsement is therefore sought to invite tenders in accordance with the scope outlined in this report and authorise the CEO (or delegate) to pursue and negotiate relevant grant and industry funding, with any contract award and final funding approval to be considered by Council through a future report and the 2026/27 Annual Budget process.

ATTACHMENTS

2025 ToPH Childcare Needs Analysis - Final, Completed [**12.4.1.1** - 27 Pages],
20250226 240098 Rose Nowers Early Learning Centre Additions [**12.4.1.2** - 27 Pages]
Lot 2791 Boronia Close Lease [**12.4.1.3** - 44 Pages]
McLeods Recommendations [**12.4.1.4** - 4 Pages]
JD Hardie Childcare Centre - Feasibility Estimate [**12.4.1.5** - 19 Pages]

12.5 Executive Services

12.5.1 Forward Improvement Plan - Remediation Plan Update

Author: Research Manager & Advisor

Authorising Officer: 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.

CM202627/188 OFFICER RECOMMENDATION & COUNCIL RESOLUTION

MOVED: Cr McDowall

SECONDED: Cr Butson

That Council notes the update regarding the preparation of the Project Uplift Implementation Plan, being the proposed organisational Remediation Plan for implementation of the Town's Forward Improvement Plan.

CARRIED BY SIMPLE MAJORITY (8/0)

For: Mayor Behrend, Deputy Mayor Melville, Cr Baxter, Cr Butson, Cr Edwards, Cr Little, Cr McDowall and Cr Todd

Against: Nil

PURPOSE

The purpose of this report is to provide Council with an update regarding the implementation of Council's decisions of 19 March 2026 and 25 March 2026 relating to the Organisational Health Check (OHC) report, the Forward Improvement Plan (FIP) and development of a remediation plan.

DETAIL

On 19 March 2026 (SCM202627/105), Council considered Item 8.1.2 – Town of Port Hedland Health Check Report. The report outlined the findings of an independent assessment of the Town's governance, systems and operations and identified several areas requiring improvement.

Council subsequently resolved to:

1. Note the Organisational Health Check report
2. Note the draft CEO Action and Assurance Roadmap
3. Refer the report and roadmap to the Audit, Risk and Improvement Committee (ARIC)

4. Direct the Temporary Chief Executive Officer (T/CEO) to develop a Remediation Plan, including a framework for reporting progress to ARIC and Council to be considered for adoption at the April Ordinary Council meeting.

On 25 March 2026 (CM202627/144), Council adopted the FIP and acknowledged the role of the Chief Executive Officer in operationally developing and implementing a remediation plan to address the matters identified within the FIP.

Remediation plan

In response to Council's decisions in March 2026 that a remediation plan be developed, Council is advised that this is currently being progressed by the CEO under an organisation-wide improvement program called 'Project Uplift', proposed to be implemented via a Project Uplift Implementation Plan (PUIP) over approximately two years, commencing in FY 2026/27 and continuing through to the end of FY 2027/28.

The goal is to ensure that, at the conclusion of Project Uplift, there is evidence-based improvement in organisational capability and culture, governance discipline, control maturity, quality of reporting, compliance confidence and reduced organisational risk.

This is intended to improve Council confidence, build positive community trust and sentiment, enhance organisational culture and support a growing positive reputation for the Town.

To ensure the CEO, having taken over the permanent role on 11 May 2026, has a robust understanding of the OHC and the FIP, both initiated by the T/CEO, work is underway to review, analyse and fully appraise the contents of the documents. Concurrently, a deeper understating is also being sought into related corporate documentation in order that the proposed implementation approach for Project Uplift gives a holistic view to addressing both the challenges and opportunities identified.

The draft PUIP will be further refined, and workshopped internally with key stakeholders, with the intention that it will be finalised and ready for presentation to Council in June 2026.

The PUIP will provide detailed information on how project progress will be reported regularly to ARIC, with the initial report anticipated for delivery at the meeting scheduled for 11 August 2026.

While the draft PUIP is still being progressed, several immediate actions and preliminary workstreams have already commenced to address priority matters identified in the FIP.

This includes:

- Analytic review of related corporate documents by the new CEO
- Commencement of preliminary planning, governance and reporting arrangements for Project Uplift
- High-level budget consideration for delivery in FY 2026/27 (year one) of the project

- Establishing a CEO Steering Group to oversee Project Uplift
- Progressing the procurement associated with the Enterprise Resource Planning (ERP) system end-to-end review.

The Town has indicated to potential providers that the ERP end-to-end review will be a significant and comprehensive piece of work, that will require a comprehensive assessment – covering both corporate and technical aspects of the project’s lifecycle. The scope of this review will include, but is not limited to, undertaking a detailed investigation of the issues and concerns identified in the FIP, and any other related matters identified during the review.

These initial activities are intended to support early stabilisation, maintain delivery momentum and ensure the organisation is appropriately positioned to commence implementation activities following Council consideration of the PUIP in June.

FY 2026/27 Budget consideration

Successfully delivering Project Uplift and achieving the improvements identified in the FIP will require a significant, organisation-wide commitment over the next two years.

Work is currently being undertaken by the CEO to confirm the scope, timing, delivery model and resourcing requirements of Project Uplift, and to develop a considered budget proposal for FY 2026/27. Based on preliminary scoping external specialist, advisory, and implementation support costs associated with Project Uplift are currently anticipated to be approximately \$1 million over FY 2026/27, subject to further scoping and Council budget consideration.

The FIP makes clear that delivering Project Uplift is not discretionary. The issues identified across governance, financial management, procurement, ERP, asset management, workforce capability and organisational culture are significant and interconnected. Without sustained investment to address these issues, the Town will remain exposed to ongoing control weaknesses, increased organisational risk, inefficient service delivery and reduced community confidence.

Investing in Project Uplift should therefore be viewed as an investment in rebuilding the Town’s governance, capability and long-term sustainability, and in ensuring the organisation is better equipped to meet the expectations of Council and the Hedland community.

LEVEL OF SIGNIFICANCE

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

- It does not require a decision that will significantly affect the capacity of the Council to carry out any activity identified in the strategic plan.

CONSULTATION

Internal

- Mayor and Deputy Mayor
- ELT
- Manager Financial Services
- Manager Public Affairs

External Agencies

- Town of Port Hedland Monitor

Community

- The community will be kept well informed as Project Uplift progresses.

LEGISLATION AND POLICY CONSIDERATIONS

- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996
- Local Government (Audit) Regulations 1996

As outlined in section 5.41 of the Local Government Act 1995, the CEO is responsible for managing the day-to-day operations of the Town. Delivering the benefits of Project Uplift will therefore be the responsibility of the CEO, who will be accountable for the project's delivery.

FINANCIAL AND RESOURCE IMPLICATIONS

Additional funding will be required in FY 2026/27 and FY 2027/28 to support the continued delivery of Project Uplift.

Further detail will be presented to Council through the annual budget process.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

The following sections of the Town's *Council Plan 2025-2035* apply in consideration of this item:

Our Leadership: We are united in our actions to connect, listen, support and advocate, thereby leveraging the potential of our people, places and resources.

Environmental and Economic

There are no identified environmental or economic impacts relating to this item.

Social

Project Uplift is expected to improve staff engagement, enhance organisational culture, and build community trust.

Access and Inclusion

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

There are no identified impacts.

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Strategic and 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 FIP.
Effect (Consequence)	Failure to implement Project Uplift 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 delivery of Project Uplift.
<p>There is both a strategic and operational risk associated with this item caused by systemic governance, leadership and control weaknesses identified in the FIP, leading to financial inefficiencies, compliance risks, reduced organisational effectiveness, and potential ongoing reputational damage to the Town.</p> <p>The risk rating is considered to be high (12), 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 the PUIP.</p>	

OPTIONS

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

CONCLUSION

Successful delivery of Project Uplift is not discretionary.

The CEO, who took over the permanent role on 11 May 2026, is taking time to carefully review, analyse and assess the information provided in the OHC and the FIP, alongside other relevant corporate documentation to ensure a well-considered holistic approach is taken towards the PUIP.

The PUIP will outline the governance, delivery, and reporting framework required to implement the FIP, and is anticipated to be presented to Council in June 2026.

ATTACHMENTS

Nil

13 New Business of an Urgent Nature (Late Items)

Nil

14 Motions of Which Previous Notice has been given

Nil

15 Matters for Which Meeting May be Closed (Confidential Matters)

16 Closure

16.1 Date of Next Meeting

The next Ordinary Meeting of Council will be held on Wednesday 24 June 2026 commencing at 5:30 pm.

16.2 Closure

There being no further business, the Presiding Member declared the meeting closed at 8:16pm.