



Unconfirmed

MINUTES

Special Council Meeting

Thursday 19 March 2026

Time: 5:30pm

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

Distribution Date: 01/04/2026

Mayor

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1 Opening of Meeting

The Presiding Member declared the meeting open at 5:30pm.

2 Acknowledgement of Traditional Owners and Dignitaries

The Presiding Member acknowledges the Kariyarra people as the Traditional Custodians of the land that we are meeting on and recognises their strength and resilience and pays respect to elders past, present and emerging.

3 Recording of Attendance

Important note:

This meeting is being 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 are 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

Scheduled Present:

Commissioner Chair Jessica Shaw

Commissioner Deputy Chair Martin Aldridge

Commissioner Ron Yuryevich

Scheduled for Attendance: Kenneth Donohoe (Temporary Chief Executive Officer)

Kylie Davies (Director Regulatory Services)

Lee Furness (Director Infrastructure Services)

Stephen Lesson (Director Corporate Services)

Maree Cutler-Naroba (Senior Governance Advisor)

Rhiannon Smith (A/Governance Officer)

Chloe Evans (Governance Support Officer)

3.2 Attendance by Telephone / Instantaneous Communications

Commissioner Jessica Shaw.

Commissioner Ron Yuryevich.

Director Corporate Services Stephen Lesson.

3.3 Apologies

3.4 Approved Leave of Absence

3.5 Disclosures of Interest

Name	Item No	Interest	Nature

SCM202627/104 PROCEDURAL MOTION

MOVED: CMM Ronald Yuryevich SECONDED: CMM Jessica Shaw

That Council amend the 19 March 2026 Special Council Meeting Order of Business as set out in Council Policy 1/017 to deal with item 6 'Announcements by the Presiding Member without Discussion,' before item 4 'Public Time'.

CARRIED BY SIMPLE MAJORITY (3/0)

*For: CMM Jessica Shaw, CMM Chair Martin Aldridge and CMM Ronald Yuryevich
Against: Nil*

6 Announcements by Presiding Member without Discussion

Good evening Commissioners, Staff, Members of the Public.

You will note that Commissioners Shaw and Yuryevich have been authorised pursuant to Town policy 4/011 to attend tonight's meeting electronically. As a result, I have the pleasure of presiding at this meeting. I would like to take this opportunity to provide some updates to the community, noting that we have an Ordinary Council Meeting scheduled for next Wednesday.

As the community may be aware, the Local Government Inspector, Mr. Tony Brown, has appointed a Monitor pursuant to the Local Government Act 1995 to the Town of Port Hedland. Mr. Andrew Hammond has been appointed for a period commencing 4 March 2026 and ending on 19 August 2026.

I welcome the appointment of a Monitor whose Terms of Appointment include the development of a Forward Improvement Plan and preparation of the elected

member induction program among other near-term priorities. I am confident that the Monitor will also play a key role in the orderly transition of power, from Commissioners to an elected Council and from a temporary to a substantive CEO which will all occur during his tenure. The Town's election is progressing under the control of the WA Electoral Commission and its appointed Returning Officer. I would like to take this opportunity to remind electors to participate in this election by completing and returning your postal ballot.

As of yesterday, the Electoral Commission has advised it has received 1,716 ballots returned which represents 19% of the total ballots issued to electors. Ballots must be received by the Returning Officer by 6pm on Saturday 28 March. To avoid postage-related delays, I would strongly recommend as we approach the final week of the election that ballots are returned to one of our two polling places, either here at the Civic Centre or at the South Hedland Library, both which will be accessible from 8am-6pm on Saturday 28 March

Earlier today I had the privilege to preside over a ceremony whereby 55, locals became Australian citizens. Accompanied by their families and friends, Australia's newest citizens took the pledge before me and I congratulate them on this momentous occasion and welcome them to our community as fellow Australians

A quick reminder that we are still in the middle of cyclone season, and the Bureau of Meteorology has forecast a high risk of a cyclone forming off the Kimberley coast north of Broome mid next week. Forecasts at this stage are showing it will track south along the WA coast. It's still early days and cyclones can be very unpredictable, so the message right now is to not panic, but be prepared. Take the time now to make sure you have secured anything around your home that could become a projectile. Trim trees and clean up your yards. Prepare and review your Family Cyclone Plan, including your emergency kit

Keep up to date with the latest information from DFES or the Town of Port Hedland's Disaster Dashboard. More information on cyclone preparation can also be found on the Town's website. This week is Harmony Week, which is an opportunity to celebrate the many cultures, languages and diversity in the Hedland community. The Town is hosting a Harmony Week event at the JD Hardie Centre on Friday from 6-8pm. The family-friendly event will showcase cultural performances, food, art, music and interactive activities. For more information head to the Town's website. At this time of year in Hedland, it's really important to be mosquito aware.

Mosquito numbers are expected to rise, given recent wet weather, mosquitoes carry serious, life-threatening and deadly diseases which have previously been detected in the Pilbara. The Town's Environmental Health team is fogging as a control method but you can play your part by clearing any pooled water around your home and report areas where treatment may be needed.

Free Coopex residual sachets are also available from all Town facilities to help control mozzie numbers around your home and to conclude on some good news. Earlier today, I accompanied the Temporary CEO and the Director of Regulatory Services and observed the execution of the lease for the former Port Hedland Yacht Club. Whilst this was a project that was well underway when Commissioners arrived at the Town, I am sure the community look forward to the official opening later this year by WA based Running with Thieves.

I would like to thank the Town's staff for the extensive redevelopment work that has occurred to ready the site for its new owners and the completion of the commercial negotiations with the new lessee.

4 Public Time

4.1 Public Question Time

The Presiding Member declared Public Question Time open at 5:37pm.

6.1.1	Jacinta Behrend
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Question 1: First question is around timing and consultation. Given that this agreement is intended to govern the relationship between the elected council and the CEO could you clarify why this is being proposed prior to the election of a council? and the agenda notes of this agreement has been reached following workshops with commissioners and the temporary CEO and the incoming CEO. Given that the incoming CEO was only appointed recently, is that sufficient consultation as well? mostly around that timing because there's no council to have consultation and the incoming CEO.

Response from Commissioner Chair: Thank you for your question. it's a good question and it's something that the commissioners and I have been working on for some weeks if not months. It is the case that later this year communications agreements will become mandatory. And when that occurs, that will likely be the trigger for when the potentially a new CEO and a new council will need to consider either the default communications agreement which will be gazetted by regulations, or they will have to agree on a communications agreement between the CEO and the council and that will have to be adopted by council. it is the case that the communications agreement under the model proposed by parliament will be updated on a fairly regular basis. The commissioners and I wanted to ensure was that we did what we could in our time to set up a good basis a good foundation for a new elected council to work from. Of course, a new elected council can change that communications agreement on at their first meeting if they so choose.

It's something that will be good in terms of setting the relationship correctly early between the elected council and the administration in our view.

Question 2: Thank you. my further question is around responsiveness to the community. I note that in two areas it references response time frames listed as 2 days from the initial receiving of that question and then in the next section it says there will be a 5-day response period. I just wanted to clarify is the two-day response relating to the acknowledgement that you'll get an acknowledgement of your inquiry within two days and then 5 days for feedback on that, it was a bit strange the wording.

Response from Commissioner Chair: I think you might be referring to, there's different time frames as I recall for a request for information and a request for assistance administrative matters. That might be the difference. Yes, it is. A request for assistance for regarding administrative matters and they are listed. They range from assisting with declaration of gifts, travel agreement. That has a time frame of two business days. If this time frame cannot be met, an interim response must be provided. Then with respect to request for information, it says a response will be provided within five working days or an interim response outlining actions and time frames must be provide. You can imagine there might be some simple request that could almost immediately but then perhaps some more detailed requests that require some analysis or some collation of information might take longer.

Question 3 Then in there it does also mention about the proposed agreement indicates that requests may be refused or they are deemed not relevant to the role or considered to require unreasonable resources. Is there a threshold defined with regards to this? how will it be applied in practice? any guidelines if that is the response you receive how that came to be.

Response from Commissioner Chair:

Thank you chair. It would depend on what the question was. I mean, if you saw a level of unreason's consistently being asked perhaps on the same question. I've seen situations where you may have seen, you know, several hundred on the questions. If it was being unreasonable, there would be a right for the CEO to say, Look, you know, we've answered this question. we've responded. We're not going to do take a further action on it." In relation to taking that further, that's not to stop a council from bringing a notice of motion to council um to require further action from the Chief Executive Office if the council decides.

6.1.2	Renaë Coles
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Question 1: Can I request that the Town of Port Hedland or ask of the Town of Port Hedland please let our community know what areas have been fogged at what times.

Response from Director Regulatory Services: I'll take that on board and ask the team to provide through social media. Thank you.

6.1.3	Jillian Fisher
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Question 1: Can you give me the definition of the caretaker period that's involved with the election and how the commissioners can set forth business like this when it is during the caretaker period?

Response from Commissioner Chair: Caretaker period is a fairly recent invention in the Local Government Act. It only applied as I recall perhaps from the last general Local Government elections. It prevents a local government from doing significant acts and there are some exemptions where you can seek ministerial approval or you can preapprove significant acts being undertaken during the caretaker period. Significant Acts are defined and there are a number of things including making a Local Law, entering into or renewing or terminating the contract of employment of the CEO, entering into a major land transaction, entering into a land transaction that's preparatory to entering into a major land transaction, commencing a major trading undertaking, entering into a contract or rather agreement or arrangement worth or expected to be worth more than \$250,000, inviting tenders worth more or expected to be worth more than \$250,000, deciding to do anything referred to in paragraphs A to G, which are those I just read out, or an act done under written law, or otherwise that is a prescribed act.

The Presiding Member declared Public Question Time closed at 5:48pm.

4.2 Public Statement Time

The Presiding Member declared Public Statement Time open at 5:48pm

6.2.1	Jillian Fisher
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I'd like to congratulate the acting CEO on after reading the health report, that he has taken these steps to engage the external agency More Australia Proprietary Limited to complete the health report. I think that's what the council and members of the public really need because this is what we're often called dysfunctional, and I don't think that the issue is dysfunctional. This health report sort of shows in part that it is when you look at the events of this week and the and the previous Mayor and obviously this health report it's not exactly dysfunctional. It cannot be targeted at the councilors themselves as that's what it has been a lot in the media and that the Local Government minister has sort of implied that as well. thank you.

The Presiding Member declared Public Statement Time closed at 5:50pm

5 Questions from Members without Notice

Nil

6 Announcements by Presiding Member without Discussion

That Council amend the 19 March Special Ordinary Council Meeting Order of Business as set out in Council Policy 1/017 to deal with item 6 'Announcements by the Presiding Member without Discussion,' before item 4 'Public Time'.

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

The Commissioners declared that they had given due consideration to all matters contained in the agenda:

8 Reports of Officers

8.1 .1 ToPH Communications Agreement

8.1.1	ToPH Communications Agreement
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Author: Special Projects Manager

Authorising Officer: Temporary Chief Executive Officer

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

SCM202627/105 AMENDMENT MOTION/COUNCIL DECISION

MOVED: CMM Jessica Shaw

SECONDED: CMM Ronald Yuryevich

That Council:

- 1. Adopt the Town of Port Hedland Communications Agreement in accordance with the provisions of section 5.92 of the Local Government Act 1995.**
- 2. Notes that the Temporary Chief Executive Officer has agreed with the terms of the agreement.**

THE AMENDMENT MOTION BECAME THE SUBSTANTIVE MOTION WHICH WAS CARRIED BY SIMPLE MAJORITY (3/0)

*For: CMM Jessica Shaw, CMM Chair Martin Aldridge and CMM Ronald Yuryevich
Against: Nil*

PURPOSE

The purpose of this report is for Council to adopt the Town of Port Hedland Communications Agreement, noting that adoption is only possible if both parties agree to the terms set out in the agreement.

DETAIL

The Local Government Amendment Bill 2023 (that received Royal Assent in May 2023) will introduce significant changes to the way in which information is managed and communicated between elected members and the administration, including the introduction of communication agreements for local governments.

The 2023 Amendment Act inserts sections 5.92A — 5.92C into the *Local Government Act 1995* (the Act) which require that:

- each local government must have a communications agreement which deals with the matters required by the Act and regulations

- a local government may adopt a communications agreement by the Chief Executive Officer and council both agreeing to its terms
- if a local government does not adopt or is unable to adopt a communications agreement, the default communications agreement set out in a Ministerial order applies.

In mid-2025, the Department of Local Government, Industry Regulation and Safety (LGIRS) completed consultation with the local government sector on communication agreements, including providing a draft default communication agreement.

Communication agreements are proposed to support and enhance governance within each local government by setting out minimum expectations for formal communications/information flow between council members and employees of the local government.

SETTING THE TOWN UP FOR INFORMATION FLOW SUCCESS

With the appointment of Commissioners in September 2025, the Town has been working swiftly to support their goal of steadying the ship and ensuring the future Council is set up for success. With a Local Government election scheduled for Saturday 28 March 2026, the timeline is drawing close.

LGIRS are unable to provide a timeline for codification and the subsequent legislative requirement for local governments to implement Communication Agreements. The Town wants to demonstrate progress and innovation and has developed a communication agreement for immediate implementation.

The Town's Communications Agreement reflects the intent of LGIRS draft default communications agreement. It aligns with the [Local Government Act 1995](#), the [Local Government Amendment Act 2024](#), specifically the role and functions of the council, mayor and councillors; and it reflects the intent of the draft [Local Government Amendment Regulations \(2025\)](#) which, once codified, propose to require each local government to have a communication agreement in place that is agreed by both the Council and the Chief Executive Officer.

The Town's Communications Agreement will help ensure that there are clear guidelines in place for both the incoming Council and Chief Executive Officer, supporting both to undertake their role and function in an efficient, streamlined and transparent manner. Importantly, the Agreement will ensure that all relevant information requested from the Town's Chief Executive Officer is shared, so all elected members are equally informed.

The Agreement establishes expectations and certainty for both parties.

The Agreement includes a guiding principle that communications must be respectful, timely, and professional, and that communications should support transparency, efficiency, and good governance.

CONSULTATION

After a series of workshops held with Commissioners, the Temporary Chief Executive Officer and the incoming permanent Chief Executive Officer, agreement has been reached between both parties on the terms set out in the Communication Agreement.

If adopted, the Agreement can be implemented with systems and processes in place for the new Council.

The Author has also consulted with the Department of Local Government, Industry Regulation and Safety (LGIRS).

LEVEL OF SIGNIFICANCE

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

- Manager Governance
- Manager Public Affairs
- Executive Assistant to the CEO and Mayor

External Agencies

- WALGA
- Department of Local Government, Industry Regulations and Safety (LGIRS)

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

- Local Government Act 1995
- Local Government Amendment Act 2024
- Draft Local Government Amendment Regulations (2025)

FINANCIAL AND RESOURCE IMPLICATIONS

There will be no immediate financial or resource implications to implement the Communication Agreement. There may be minor financial implications from any IT enhancements that are required to enhance elected member's user experience accessing Town provided information.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Council Plan

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	Operational Strategic
Risk Category	Reputational
Cause	Not adopting a Communications Agreement
Effect (Consequence)	The Town does not have a clear shared understand and expectation between elected members and the Chief Executive Officer on how support and information can be requested and provided. The Town may be required to introduce a default communications agreement that may not meet the needs of both the Council and the Chief Executive Officer.
Risk Treatment	Adopt the communications agreement and enable the Town's administration to ensure it is implemented effectively for the new Council and new Chief Executive Officer.
<p>There is both a strategic and operational risk associated with this item. Should an agreement not be adopted, the Town will not have established mutual understanding and clear expectations of how information and assistance between the Council and the Chief Executive Officer is to be managed. While it can be anticipated there will be a legislative requirement for such an agreement to be in place sometime in the future, in the interim, a lack of clear guidance may lead to confusion for elected members, the Chief Executive Officer and employees, a potential breakdown in relationships, a lack of transparency, and in turn, create uncertainty for the community</p> <p>The risk rating is Low (4) which is determined by a likelihood of Possible (3) and a consequence of Moderate (3).</p> <p>This risk will be accepted by the treatment/mitigation of adopting the Communications Agreement.</p>	

OPTIONS

Option 1 – Adopt officer's recommendation

CONCLUSION

It is important the incoming Council is set up well for success. A cornerstone to supporting successful governance is ensuring there are clear guidelines in place for information flow between elected members and the administration.

The draft Local Government Amendment Regulations propose that all local governments will be required to have a Communications Agreement in place. The Town of Port Hedland has developed an agreement that can be implemented swiftly and will suit the needs of the Council and the Chief Executive Officer.

Adopting a Communications Agreement, that both the Council and the Chief Executive Officer agree the terms, designed specifically to suit the needs of the Town of Port Hedland, will enable requests for both administrative assistance and information to be managed effectively and efficiently.

ATTACHMENTS

1. Town of Port Hedland Communications Agreement between the Council and the Chief Executive Officer.

8.1.2 ToPH Health Check

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

OFFICERS RECOMMENDATION

That Council:

- 1. Notes the Health Check Report undertaken by the Temporary Chief Executive Officer and attached Chief Executive Officer Remediation Roadmap.**
- 2. Supports the Temporary Chief Executive Officer to initiate the development of the Chief Executive Officer Roadmap in consultation with the new Chief Executive Officer and Executive Leadership team.**
- 3. Notes the recommendations contained within the draft Health Check Report and authorises the Temporary Chief Executive Officer to develop in consultation with the incoming Chief Executive Officer a roadmap for remediation.**

THE MOTION LAPSED FOR WANT OF A SECONDER

SCM202627/106 ALTERNATE MOTION

MOVED: CMM Chair Martin Aldridge SECONDED: CMM Jessica Shaw

That Council:

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

CARRIED BY SIMPLE MAJORITY (3/0)

*For: CMM Jessica Shaw, CMM Chair Martin Aldridge and CMM Ronald Yuryevich
Against: Nil*

PURPOSE

The purpose of this report is for Council to consider

the completion of a Health Check Report undertaken by the Moore Australia Pty Ltd into the operations of the Town of Port Hedland by the Temporary Chief Executive Officer.

A recommendation for the report was presented by the Temporary Chief Executive Officer to Council in December 2025 to undertake the report into the operations of the Town to assist him and a future Chief Executive Officer to develop improvements and to test the operational compliance and culture of the organisation.

Council subsequently resolved;

That Council:

- 2) Authorises the Temporary CEO to seek quotes from suitably qualified independent consultants to complete an Organizational Health Check as outlined in this report; and
- 2) Requests the Temporary CEO to expend funds from account 100006-1080-1001-61017.

This report was subsequently undertaken as a Health Check into the organisation and not a formal investigation but with a defined scope that was designed to test systems and processes in the business and seek input from employees.

The resultant report received from Moore Australia Pty Ltd has identified a series of themes from the methodology undertaken by the Health Check. The Report identifies a series of risks associated with operations of the administration that need improvement and, in some cases, further review of performance and actions taken.

On this basis the Temporary Chief Executive Officer has attached a copy of the CEO Remediation Roadmap for Mr. Stewart and the Council to use to remediate the matters identified in the report and if necessary, commence other actions in relation to correcting anomalies identified within the Health Check. This plan details a Remediation Roadmap for further formal consideration of some matters presented in the report. The Executive Leadership Team are in the process of developing an improvement plan.

The Temporary Chief Executive Officer believes that it is critical that the Chief Executive Officer establish a remediation plan and establish a Steering Group to work through the items identified in the Health Check as some issues have remained unresolved for some years. Further, the recurrence of some themes around procurement and contract management and how this relates to major projects remains constant, which may indicate that this is not being addressed adequately.

Of particular relevance is the Enterprise Resourcing Project (ERP) investment that the Council made in 2022 and is in use today. Costs of approximately \$9 million will be expended though the system is still not fully operational in the organisation. This system is critical to the operations of the business. The investment decision that has

been made will require the Town to continue with its implementation and it is the Author's recommendation that accelerated performance and development of this strategy needs to be a priority of the Town. Council will note the report provided by the organisation to the Audit Risk and Improvement Committee that a further five (5) year implementation plan is anticipated. Agenda Item 12.7 of the meeting of 10 March 2026. Considering that a significant expenditure has been undertaken together with proposed additional costs in the medium term, a review of employee assumptions is considered prudent considering the criticality of the operational need for a fully functioning system that has already been implemented from 2022.

As an example, at the time of writing the ability for the system to operate independently of other subsystems to approve Development Approvals and Issue Infringements remains incomplete. As such it is recommended that an end-to-end assessment of the program and its operational functionality within the business where it is not functioning be appropriately resourced as a priority with an operational plan being developed.

The report undertaken by Moore Australia Pty Ltd indicates weak contract management, data integrity failures and serious privacy and access abilities have created cross-functional risk exposure affecting payroll, finance, procurement, records, assets, and regulatory services.

The Temporary Chief Executive Officer has presented a summary of the report and more detail is contained within the report itself, which includes the opportunity to take a more detailed assessment of some matters raised.

Governance and Leadership

While the Temporary Chief Executive Officer has been in the role for approximately three months it is clear to the author that a failure to recruit a Chief Executive Officer promptly has influenced the operations of the Town's administration. The Executive Leadership Team need that person who is in a fulltime role working with Council to provide concise direction and vision working with Council's administration to achieve the Communities' aspirations. The Chief Executive Officer sets the internal culture and provides assistance and direction to the administration. It is also noted that the substantive Chief Executive Officer was not in the business for a period of time which has compounded the leadership gap. This has led to multiple years of inconsistent leadership while this role has remained unfilled.

Investment in the Executive Leadership Team to work with the new Chief Executive Officer to develop a 'one team' approach should be a priority for the new Chief Executive Officer and with two new Directors coming on board this will provide an opportunity to refresh the unity of the team. The substantive Chief Executive Officer will need to continue this work and make a collaborative arrangement with the team. It is recommended that the Executive Leadership Team develop a Charter of operations detailing a standard of behaviours and expectations. It is important to note that the Temporary Chief Executive Officer is already communicating strategies being undertaken with Mr. Stewart to ensure continuity and agreement on the Author's work with the team.

The role of the Chief Executive Officer and that of the new Council will be important for the organisation as this will reflect the appropriate cultural and productivity performance across the organisation. The business seeks to “manage up” and work will need to be made to review Chief Executive Officer Directives (CEO operational decisions) to ensure that the policies of the Council are congruent and reflect the decisions of Council and the obligations the Chief Executive Officer has in accordance with his legal compulsions identified in the Local Government Act.

Employees are now in the process of reviewing these internal operating procedures and will work with the new Chief Executive Officer on these documents.

Governance

Governance is a critical factor in any local government. The organisation doesn't often talk about the importance of governance when it is operating functionally. When it is in need of improvement it becomes front and centre of organisation and the report dictates the extreme need for improvement in this core function. The Council should also note the perceptions of community in relation to governance in the Community Perceptions survey. The community is demanding higher levels and has expectations that this be addressed by the Council and the Administration. In an administrative sense the Health Check report identifies, as an extreme risk, that governance of the organisation be addressed and brought into line with contemporary local government practices. Significant thought has been given by the author to the community's input and also the observations of the Commissioners in addressing this as a priority.

The Temporary Chief Executive Officer would like to recommend that the Council, in budget deliberations, consider an additional Director in the Executive Leadership Team. While there are not many local governments that run with five (5) Directors the Council should consider appointing this role for a limited term contract of three (3) years the position to include governance, procurement, risk and internal audit functions away from the finance team and to fully invest in addressing the outstanding audit matters, Financial Management Reviews and other reports including this Health Check Report and develop an operational plan to remediate the outstanding issues.

This report recommends that the Remediation Road Map be established under a Steering Group Chaired by the Chief Executive Officer. However, to address these needs as a priority and ensure traction the limited term contract of a fifth Director should be established. Emphasis added. This investment will, with strong leadership, support the report's comments in relation to the need for strengthened oversight and remediation. Without this level of assurance activity for the Council and for that matter the community and stakeholders, undertaken in a transparent manner, the Author feels that reputational damage will continue.

Procurement and Projects

A number of reports indicate that the Town is not managing procurement well. The Health Check mentions that the Procurement Central Register identifies more than \$8 million in variations, which supposes that inadequate upfront planning, scope management and contract management and occurring within the Town's processes.

An example of scope and price creep is concerning to the author. In the three months of the Temporary Chief Executive Officer's employment he has been advised of project

estimates for long-term projects escalation. An example being a project for consideration for a large capex project briefed to Council in July 2025 at \$147 million then the project being reconsidered in December 2025 approaching \$200 million. Concerns of project control decisions or failures and sunk costs remain in the forefront. Administration aspirations against organisational affordability and should be carefully considered by the team in consultation with Council based on realistic expectations. An effort has been made by the Executive Leadership Team to bring these estimates back to an affordable level with the long term financial plan assumptions and then to test these with the elected Council in a future time. Noting that some informing strategies including a detailed Workforce Plan and Strategic Asset Management Plan(s), are not complete.

The Temporary Chief Executive Officer recognises that the Commissioners and Acting Chief Executive Officer worked on developing a Project Management Framework to assist employees involved in procurement and project management inclusive of life costs of projects which will see improvements in project management.

The Health Check report indicates that the organisational placement of the Contracts Advisor with the Audit and Risk Team presents governance and independence concerns between primary oversight and secondary oversight of contracts. This should be considered in any future employee alignment changes to ensure probity is maintained.

The Health Check clearly articulates Council's need for it to develop Key Performance Indicators for the Chief Executive Officer that can be used organisationally to drive the organisation goals and ensure Council's vision is achieved.

Asset Management

The Health Check questions components of the structure as to why Asset Management services are within the Digital Services Area. This is a service area that has no particular skill in Asset Management. Asset Management is about whole of life cost not just management. It should have a strong alignment and produce informing strategies that assist the Long-Term Financial Management Plan. There remains a gap in completing asset management data and this position's reporting structure should be considered in the future realignment of employees' reporting responsibilities.

The Health Check Report indicates that there exist material and systemic weaknesses in the Town's asset management processes and governance. The weakness limits assurance that assets are being managed sustainably across their lifecycle which will lead to ineffective prioritisation of renewals. There is a significant gap in data that needs to inform the financial management plan that does not inform Council correctly when it considers long term project considerations and their values.

Human Resource Management

The Health Check has identified systemic deficiencies in the Town's human resources governance, workforce controls, and workplace management practices. These deficiencies materially limit the level of assurance available to Council that recruitment, employment decisions, workplace conduct matters, delegations, allowances, and HR system changes are being managed consistently, transparently, and in accordance with approved policies, procedures, and legislative requirements.

Detailed work is underway to develop a Strategic Workforce Plan. There is a difference in relation to a Strategic Workforce Plan versus a Workforce Structure Plan that estimates numbers of Full Time Equivalent (FTE) employees, versus a body of work that seeks to consider the needs analysis around the why additional employees are required.

The Temporary Chief Executive Officer also recommends that some analysis or investigation may be needed to consider how the workforce numbers relate to the value of contractors employed by the organisation. For example, if the Salaries estimate is \$38 million and the contractor value identified in Contractors and Materials is \$33 million what is the comparison between employees and contract workers not listed in wages so as to provide assurance that workforce capability risks are being managed in an affordable manner?

The Moore Australia Pty Ltd Health Check Report identifies that other than those contained within the Position Descriptions, there are no holistic Key Performance Indicators or Key Result Areas within the business to manage Council's expectations and that of the administration. This indicates that no consistent annual performance management has been undertaken with employees, and some employees have advised the Temporary Chief Executive Officer that they have not had a performance review in three years. It should be noted that there is a legal obligation for annual reviews to be undertaken in the Local Government Act 1995.

The annual performance appraisal processes are critical interfaces that are paramount to good governance direction and alignment with Council's direction and appear to not have been enforced. Senior Management does not appear to have led this process through the Organisation and this is reflective of a higher-than-expected employee dissatisfaction result in leadership.

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 cost to Council to carry out any activity identified in the strategic plan.

CONSULTATION

Internal

- *ELT*

External Agencies

- *Moore Australia Pty Ltd*
- *Mill Oakley*

LEGISLATION AND POLICY CONSIDERATIONS

Financial Management Regulations 1996

5. CEO's duties as to financial management

(1) Efficient systems and procedures are to be established by the CEO of a Local Government —

(a) for the proper collection of all money owing to the local government; and

(b) for the safe custody and security of all money collected or held by the local government; and

(c) for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process); and

(d) to ensure proper accounting for municipal or trust —

(i) revenue received or receivable; and

(ii) expenses paid or payable; and

(iii) assets and liabilities;

and

(e) to ensure proper authorisation for the incurring of liabilities and the making of payments; and

(f) for the maintenance of payroll, stock control and costing records; and

(g) to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.

(2) The CEO is to —

(a) ensure that the resources of the local government are effectively and efficiently managed; and

(b) assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year).

[(c) deleted]

FINANCIAL AND RESOURCE IMPLICATIONS

The Draft Health Report refers to Financial and Resource Implications throughout the document.

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

Environmental

Economic

Social

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	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 Health Check Report.
Effect (Consequence)	Failure to address the identified issues may result in continued financial inefficiencies, non-compliance with legislative and regulatory obligations, ineffective service delivery, increased exposure to audit findings, and ongoing reputational damage to the Town.
Risk Treatment	Treat / Transfer through the development and implementation of a Chief Executive Officer Remediation Roadmap, strengthened governance oversight, and engagement of independent assurance and advisory support.

There is an Operational risk associated with this item caused by systemic governance, leadership, and control weaknesses identified through the Health Check, leading to financial inefficiencies, compliance risks, reduced organisational effectiveness, and potential reputational harm to the Town.

The risk rating is considered to be High (10), which is determined by a likelihood of Possible (3) and a consequence of Major (4).

This risk will be treated and partially transferred/shared through the development and implementation of a Chief Executive Officer Remediation Roadmap, strengthened executive and Council oversight, and the use of independent external advisors and assurance mechanisms.

OPTIONS

Option 1 – Adopt officer’s recommendation

Option 2 – Amend officer’s recommendation

Option 3 – Do not adopt officer’s recommendation

CONCLUSION

The draft Health Check is an initial scoping of policies, procedures and systems within the Town of Port Hedland. It was never intended as a formal investigation process.

While there are a number of issues contained within the report that need significant change to be implemented, the Author believes that a positive relationship with the Mayor, Chief Executive Officer and Council is probable, with an endorsed CEO Remediation Roadmap being managed at the very top of the organisation. This, together with a constant reinforcement of administrative leadership for the 424 staff that work at the Town of Port Hedland will forge the required change.

A significant effort needs to be made to listen to the community’s views as the perceptions survey clearly identifies that the expectations for good governance from the community are high. Good services, good governance and a remembrance that some of the basics of local government is also about managing the quality of some of those most basic services seems to have been forgotten.

The Moore Australia Pty Ltd Health Check Report recommended the appointment of a Monitor to support the CEO and the Council going forward to ensure the Council and Executive relationships are well managed after the election in March 2026.

Mr. Hammond has been appointed to this role and has provided legal instruction to develop a further improvement plan for Council and this is underway and the Draft Health Report will be a basis of some of those future requirements.

As identified within the privileged operational components of the Health Check there are further formal matters that are required to be undertaken by the Temporary Chief Executive Officer and then substantive Chief Executive Officer Mr. Stewart when he commences on 11 May 2026.

It is sincerely hoped that the Health Check will assist the Administration going forward and will become a starting point for the Town of Port Hedland to be the leader it should be in local government practices.

The Administration should always remember that it serves the community.

It is hoped that this document will assist the Commissioners, for whom without that leadership under significant pressure this initial assessment to help the Council would not have been prepared.

The Council will note this is a starting point not a completion and many challenges may present to the Council from the contents of the draft Health Check Report.

ATTACHMENTS

1. Confidential Legal Advice received from Mills Oakley
2. Confidential Draft CEO Remediation Roadmap

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

Nil

10 Closure

10.1 Closure

There being no further business, the Presiding Member declared the meeting closed at 6:26pm.