



AGENDA

Dear Mayor and Councillors,

I respectfully advise that an **ORDINARY COUNCIL MEETING** be held in the **Civic Centre Chambers 13 McGregor Street, PORT HEDLAND WA 6721**, on **Wednesday 24 April 2024**, commencing at **5:30pm**.

MEETING AGENDA ATTACHED

Yours faithfully

Carl Askew
Chief Executive Officer

19 April 2024

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Town of Port Hedland for any act, omission, statement, or intimation occurring during Council Meetings. The Town of Port Hedland disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Council Meetings.

Any person or legal entity that acts or fails to act in reliance upon any statement, act or omission occurring in a Council Meeting does so at their own risk. The Town of Port Hedland advises that any person or legal entity should only rely on formal confirmation or notification of Council resolutions.

DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

*Local Government Act 1995 – Section 5.65, 5.70 and 5.71
Local Government (Model Code of Conduct) Regulations 2021*

<i>This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Model Code of Conduct) Regulations 2021</i>			
Name			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

Signature: _____ **Date:** _____

Important Note: Should you declare a **Financial or Proximity Interest**, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an **Impartiality** Interest, you must state the following prior to the consideration of the item:

"With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly."

Order of Business

1	Opening of Meeting	7
2	Acknowledgement of Traditional Owners and Dignitaries.....	7
3	Recording of Attendance.....	7
3.1	Attendance.....	7
3.2	Attendance by Telephone / Instantaneous Communications.....	8
3.3	Apologies.....	8
3.4	Approved Leave of Absence	8
3.5	Disclosures of Interest.....	8
4	Applications for Leave of Absence.....	8
5	Response to Previous Questions	8
5.1	Response to Questions taken on notice from Elected Member at the Council Meeting held on 27 March 2024.....	8
5.1.1	Cr Turner	8
5.1.2	Cr McRae.....	10
5.2	Response to Questions taken on notice from Public at the Council Meeting held on 27 March 2024.....	11
5.2.1	Ms Renae Coles.....	11
5.2.2	Mrs Jan Gillingham	11
5.2.3	Mr Roger Higgins.....	12
5.2.4	Ms Gloria Jacob.....	12
5.2.5	Mr Chris Skelton	13
6	Public Time	14
6.1	Public Question Time	14
6.2	Public Statement Time	14
6.3	Petitions / Deputations / Presentations / Submissions	14

7	Questions from Members without Notice	14
8	Announcements by Presiding Member without Discussion	15
9	Declarations of All Members to have given due consideration to all matters contained in the Business Paper before the Meeting	15
10	Confirmation of Minutes of Previous Meeting	16
11	Reports of Committees.....	17
	11.1 Audit, Risk and Compliance Committee.....	17
	11.1.1 Minutes of the 15 April 2024 Special Audit, Risk and Compliance Committee Meeting	17
	11.1.2 Audited Financial Statements – Financial Year 2022-23	23
	11.1.3 2023 Compliance Audit Return	28
12	Reports of Officers	35
	12.1 Corporate Services	35
	12.1.1 Statement of Financial Activity - March 2024	35
	12.1.2 Corporate Business Plan Quarterly Report - 2023-2024 Quarter 3	39
	12.2 Community Services.....	44
	12.2.1 RFT2324-24 Courthouse Gallery Management Services	44
	12.3 Regulatory Services	51
	12.4 Infrastructure Services	52
	12.4.1 Cooke Point Shared Footpath - Endorsement of Concept Design	52
	12.4.2 Spoilbank Marina Development - Landside Maintenance Arrangements.....	60
	12.5 Executive Services	66
	12.5.1 Adoption of the 2022/23 Annual Report and Setting the Date of the Annual General Meeting of Electors	66
	12.5.2 Response to the Department of Local Government, Sport and Cultural Industries	71
13	New Business of an Urgent Nature (Late Items)	75

14 Motions of Which Previous Notice has been given76
 14.1 Deputy Mayor Ash Christensen.....76

15 Matters for Which Meeting May be Closed (Confidential Matters)77
 15.1 Purchase of Property for Staff Housing.....77

16 Closure78
 16.1 Date of Next Meeting78
 16.2 Closure78

1 Opening of Meeting

The Presiding Member is to declare the meeting open at 5:30 pm.

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:

Mayor Peter Carter
Deputy Mayor Ash Christensen
Cr Sven Arentz
Cr Camilo Blanco
Cr Lorraine Butson
Cr Ambika Rebello
Cr Tim Turner
Cr Adrian McRae

Scheduled for Attendance:

Carl Askew (Chief Executive Officer)
Steve Leeson (Director Corporate Services)
Louise Gee (Interim Director Community Services)
Craig Watts (Director Regulatory Services)
Lee Furness (Director Infrastructure Services)
Tom Kettle (Manager Governance)
Maree Cutler-Naroba (Senior Governance Advisor)
Karen Krollig (Governance Support Officer)
Rhiannon Smith (Governance Support Officer)

3.2 Attendance by Telephone / Instantaneous Communications

Nil

3.3 Apologies

Nil

3.4 Approved Leave of Absence

Cr Flo Bennett

3.5 Disclosures of Interest

Name	Item No	Interest	Nature

4 Applications for Leave of Absence

Nil

5 Response to Previous Questions

5.1 Response to Questions taken on notice from Elected Member at the Council Meeting held on 27 March 2024

5.1.1	Cr Turner
-------	-----------

Picking up on the comments around community safety. I'm keen to get clarity around a future workshop coming out of the community safety plan. We have been working with UWA and the opportunity there is to drive some community led solutions around how to build a safer community. If we could get some timeline around when that workshop might occur? I'm not aware that we have, I think it has been parked or it hasn't been actioned for some time so I think that's an important piece of work that needs to be undertaken, so if we could do that would be a good thing.

The Mayor provided the following response:

Taken on notice.

The Interim Director Community provided the following further response:

In March 2024, the Town hosted a Problem-Oriented Policing (POP) Kick-Off workshop facilitated by University of WA Associated Professor Joe Clare. This commenced the initiation of the Priority 4- Innovative Response Framework outlined in Council's adopted Community Safety Plan. Various community stakeholders, including elected members, were invited to attend.

This workshop identified the first community led POP: food security of young people in Hedland.

We are currently undertaking a 'map and gap' and data collection, with a follow up consultation scheduled for June/July 2024.

Again, to community safety but more broadly the of South Hedland and South Hedland Square; can we get some sort of report back from administration about actions and steps that will be taken to progress that? That has been an item and it goes to the heart of the antisocial issues and challenges that sit in South Hedland.

The Mayor provided the following response:

Taken on notice.

The Interim Director Community provided the following further response:

The Council adopted the Community Safety Plan 2023-2026, in December 2023. The Town is currently undertaking actions that have been identified in Year 1 of the Community Safety Plan.

Whilst the Town works collaboratively across the community and looks to partner with organisations and businesses working in this space, this is a collective impact issue, needing the community, private sector, state government and local government working together to achieve community safety outcomes.

In March 2024, the Town hosted a Problem-Oriented Policing (POP) Kick-Off workshop. University of WA Associated Professor Joe Clare attended Hedland to facilitate this workshop. Various community stakeholders, including elected members, were invited to attend.

In response to feedback from Community, and the University of Western Australia’s independent evaluation of the previous Community Safety Plan the discussion was focused on addressing issues in the South Hedland CBD area.

Several potential issues were identified including Volatile Substance Use (VSU), car theft, public consumption of alcohol and improperly discarded needles.

The stakeholder group’s consensus was to proceed with Food Security of Hedland Youth as the first ‘problem’ to be addressed. This problem has a project goal of No Hungry Kids in Hedland. This was identified in recognition that hunger often plays a part in various criminal or antisocial behaviours that take place amongst vulnerable youth in the CBD area, including the theft of food, VSU or erratic or aggressive behaviour.

Several stakeholders have expressed an interest in and support of addressing this issue. We are currently undertaking a ‘map and gap’ and data collection.

I think one of the good things council has done is to support the development of a Youth Advisory Council. That has been little over a year in development, and I would like a progress report and I think the council would like a progress report on how that is travelling and when we might expect our young councillors - our representatives, I should say?

The Mayor provided the following response:

Taken on notice.

The Interim Director Community provided the following further response:

Elected Members were provided with an update on the Hedland Youth Advisory Council (YAC) in March 2024. This update provided details on the work which had been undertaken by the YAC, and its current projects and future direction.

A further briefing will be provided to Council on the outcomes of the Youth Week events and in particular the YAC led “Youth Week Rap Up Block Party” in the near future.

5.1.2	Cr McRae
-------	----------

Just wanted to know what we’re doing as a council to petition particularly state government with regard to adding police and probably social workers to our town to try stemmy this ridiculous rate of crime we’re seeing across South and in Port and certainly Wedgefield?

The Mayor provided the following response:

Okay I'll take that on notice. I know that at the moment police are at full capacity, from what I've been told they have enough, have like 60 odd police officers they actually have enough police officers, but we always need more.

The administration provided the following further response:

It is recommended that in the first instance Council invite Pilbara District Police Superintendent Massam, Senior Sergeant Ballerini (South Hedland Police) and Sergeant McQueen (Port Hedland Police) to meet with Elected Members and the Executive Leadership Team to discuss police resources and the rate of crime in the Town.

5.2 Response to Questions taken on notice from Public at the Council Meeting held on 27 March 2024

5.2.1	Ms Renae Coles
-------	----------------

When will the ToPH commit to more CCTVs within the South annex and commit to a full-time person overseeing this once they have the full clearance and training provided?

The Mayor provided the following response:

Taken on notice.

The Director Infrastructure provided the following further response:

The Town is working through expansion and changes to the CCTV network with WAPOL and the Council. WAPOL have ongoing access to the camera network.

5.2.2	Mrs Jan Gillingham
-------	--------------------

Last week I attended a meeting to do with the big land transaction in South Hedland - it was basically Lotteries house. I parked my car across from Lotteries House just about 6:15PM and I was appalled at the amount of glass, broken glass all over the carparking areas.

Who is cleaning up this carpark? I mean it's not council's position I believe, but at the same time as it was getting dark and we were coming out about 7:45pm only half the lights were on in the carpark, Coles is still open until about 8pm so can we please look into this, can we look into the cleaning? Does the

shopping centre have someone to clean before the morning or does it get cleaned overnight?

The Mayor provided the following response:

To answer your question, I know the cleaners are there every morning about 5am in the morning. Gardening, the pathway, in the shopping centre - they do a good job, they do a great job, but I'll take that on notice what you are saying with the shopping centre.

The Director Infrastructure has provided the following further response:

The Town is not responsible for the Car Park. The Town will contact the car park owner and let them know your concerns.

5.2.3	Mr Roger Higgins
-------	------------------

I'm wondering how many employees of the ToPH have housing provided and don't pay any rates?

The Mayor provided the following response:

I'll take that on notice, thank you.

The Director Infrastructure Services provided the following further response:

- The Town has 62 dwellings used for employee accommodation managed under the Residential Tenancy Act 1987, Residential Tenancies Regulations 1989 and Privacy Act 1998 (Cth)
- Tenants are not responsible to pay council rates.
- The landlord directly covers the council rates as part of their ownership obligations.

5.2.4	Ms Gloria Jacob
-------	-----------------

In relation to proposed TWA facility that is being underwritten by Pacific Partners:

I'm happy to take this on notice but I'll just put it out there as a question as to whether council would consider that is indeed part of the one the items in order for the application to progress, that the Town and the community benefits in a way to a percentage whenever the development occurs so that we can get benefit as well as the organisation gets more benefit. Thank you.

The Acting Director Regulatory Services provided the following response:

As previously stated by Director Regulatory Services – upon submission of a development application by Pacific Partnerships the Town will undertake a comprehensive review and consultation process with the developer. During this process will be the ideal opportunity for matters relating to community benefit to be discussed.

5.2.5	Mr Chris Skelton
-------	------------------

With the numerous closures of community groups from the Bowls Club to the Yacht Club, tennis club, rec club, etc; what is the council going to do to provide more assistance, be it in rental or rates, to allow for community groups to flourish here in Port Hedland instead of their demise and packing up and going? The community needs these places - without them, what is encouraging families to move here?

The Director Infrastructure Services provided the following response:

All community buildings are leased at a rate of \$200 per annum. The Sport and Recreation Team provided assistance to the Bowling Club over a number of years. This included assistance with running tennis events, club governance and provision of advice to their committee when asked.

Then secondly, my wife was almost attacked/jumped at the South Hedland Shopping Centre by three teenage girls. What is the council going to do? And when are they going to start taking security seriously around South Hedland for families like mine and many others with children, so they can actually go to the shops safely?

The Mayor provided the following response:

We'll take those on notice thank you.

The Interim Director Community Services provided the following further response:

The Town is currently undertaking initiatives that have been highlighted in our Community Safety Plan. Whilst we work collaboratively across our community and look to partner with organisations and businesses working in this space, this is a collective impact issue, needing the community, private sector, state government and local government working together to achieve outcomes. We also recommend that Centre Management at South Hedland Shopping Centre, as the facility owner, is made aware of these incidents and also escalated through to WAPOL.

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

6.2 Public Statement Time

6.3 Petitions / Deputations / Presentations / Submissions

Nil

7 Questions from Members without Notice

8 Announcements by Presiding Member without Discussion

The Mayor's meetings for the month of March 2024:

DATE	MEETING DETAIL
6/03/2024	Triple M Talk of the Town Radio segment
6/03/2024	Pacific Partnership Stakeholder interview with Creating Communities
6/03/2024	Meeting with Barry Taylor re Development Opportunities
7/03/2024	7News Interview re Street Art Festival Award
8/03/2024	North West Defence Alliance meeting
8/03/2024	Meeting with WAPOL
9/03/2024	Meeting with PHIA CEO
11/03/2024	Update meeting with Azurra
12/03/2024	Triple M Talk of the Town Radio segment
12/03/2024	Regional Capitals Australia Board Meeting
13/03/2024	Special Council Meeting
14/03/2024	ABC Media interview re SCM outcomes
15/03/2024	Hedland Sports and Rec Expo opening
19/03/2023	Triple M Talk of the Town Radio segment
20/03/2024	WAPOL and Mayor photo op with CCTV trailer
20/03/2024	BHP SEG Meeting
21/03/2024	Citizenship Ceremony
22/03/2024	AGWA Collection: Part 1 Exhibition Opening
26/03/2024	Triple M Talk of the Town Radio segment
26/03/2024	PHCCI Coffee Catch up with the Mayor
26/03/2024	JDAP meeting re Development at Lot 21 Collier Dr, South Hedland
27/03/2024	Cr McRae Swearing in Ceremony
27/03/2024	March Ordinary Council Meeting
28/03/2024	Photo Op with Iluka's Kitchen and BHP

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

10 Confirmation of Minutes of Previous Meeting

OFFICER'S RECOMMENDATION

That Council confirm that the Minutes of the Ordinary Council Meeting held on 27 March 2024 are a true and correct record.

SIMPLE MAJORITY VOTE REQUIRED

Disclaimer

Members of the public are cautioned against taking any action on Council decisions, on items on this evening's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.

11 Reports of Committees

11.1 Audit, Risk and Compliance Committee

11.1.1	Minutes of the 15 April 2024 Special Audit, Risk and Compliance Committee Meeting
---------------	--

Author: Senior Audit, Risk & Insurance Advisor
Authorising Officer: Manager Governance
Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER’S RECOMMENDATION

That Council receives the Unconfirmed Minutes of the Special Audit, Risk and Compliance Committee Meeting held on 15 April 2024.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is to present the Unconfirmed Minutes of the Special Audit, Risk, and Compliance Committee (ARC Committee) meeting held on April 15, 2024, for Council's consideration.

DETAIL

Background

The Town’s ARC Committee is a statutory committee of the Council, established in accordance with section 7.1A of the *Local Government Act 1995*. The role of the ARC Committee is to offer guidance and support to the Council on matters outlined in its Terms of Reference. The ARC Committee assist the Council in fulfilling its governance and oversight obligations related to financial reporting, internal controls, risk management systems, legislative compliance, ethical accountability, and internal and external audit functions.

Following the determination of the Ordinary Local Government Election, held on 21 October 2023, the Council resolved to appoint three Elected Members to become members of the ARC Committee, at its Ordinary Council Meeting, held on 1 November 2023 (CM202324/138):

- Cr Camilo Blanco
- Cr Lorraine Butson
- Cr Tim Turner

Following the appointment of the new ARC Committee, at its meeting held on 28 November 2023, Cr Camilo Blanco was elected unopposed to the office of Presiding Member and Cr Tim Turner was elected unopposed to the office of Deputy Presiding Member.

The Special Meeting of the ARC Committee was called by the Presiding Member pursuant to section 3.4(1) ToPH *Standing Orders Local Law 2014* for the purpose of;

- Consideration of the Audited Financial Statements 2022/23,
- The Audit, Risk and Compliance Committee Terms of Reference, and
- The 2023 Compliance Audit Return.

15 April 2024 Meeting Overview

1. Audited Financial Statements – Financial Year 2022-23

The Audited Financial Statements were presented to the ARC Committee for discussion, with the Committee supporting an alternate motion. This report is 11.1.2 on the 24 April 2024 Ordinary Council Meeting agenda.

2. ARC Committee – Amended Terms of Reference

During the Ordinary Council Meeting held on November 1, 2023, the Council made a resolution to maintain the current Terms of Reference (TOR) for the ARC Committee and to subject them to a review by the ARC Committee before June 2024 (CM202324/138).

Furthermore, section 8.2 of the current TOR, requires the ARC Committee to “request the CEO perform a review after an Election, suggest improvements to and assess the adequacy of the ARC Committee TOR, request Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.”

In accordance with the Council resolution and section 8.2 of the current Terms of Reference (TOR), the administration conducted a review of the TOR, resulting in several notable amendments:

- A provision was added to allow a proxy to participate in meetings if a Committee member is unavailable, ensuring uninterrupted continuity in the Committee's proceedings.
- The Authority and Independence section was restructured in the proposed TOR to align with the Town's Register of Delegated Authority – Statutory, enhancing clarity and conformity.
- The Committee's structure was revised to include a minimum of three members and a maximum of five members, emphasizing the inclusion of at least one independent member whenever feasible. This differs from the existing TOR, which lacks provision for an independent member.
- Guidelines for Committee member resignations were introduced in the proposed TOR to facilitate a structured and transparent process, contributing to the Committee's effective functioning.
- The proposed TOR relaxes stringent requirements regarding the sources from which Committee members may seek advice. Unlike the current TOR, which limits advice to specific qualifications such as being a Certified Practicing Accountant (CPA) or Chartered Accountant (CA), the proposed TOR allows members to seek guidance from suitably qualified individuals with relevant

experience in financial risk management, risk management, corporate governance, or auditing, without mandating a highly specific degree. This adjustment reflects the evolution of the ARC Committee, expanding its focus beyond finance to encompass areas such as Finance, Audit, Risk, and Compliance.

The ARC Committee TOR was presented to the 28 November 2023 committee meeting and the ARC Committee resolved to let the motion lie on the table (ARC202324/007).

The amended TOR was returned to the agenda for the 12 March 2024 meeting and, subject to discussion at the ARC Committee feedback session on 5 March 2024, a further briefing was held with the ARC Committee on 11 March 2024.

The TOR was considered at the 12 March 2024 ARC Committee meeting and the recommendation proposed that the Committee endorses the revised TOR and recommends its adoption by the Council. While Councilor Turner supported the motion, its lack of a seconder and subsequent absence of debate led to the item lapsing.

At this meeting the amended TOR was further considered, and the ARC Committee resolved not to support the amended TOR, with Cr Turner for and Councillors Blanco and Butson against.

3. 2023 Compliance Audit Return

The 2023 CAR was considered at the 12 March ARC Committee meeting.

A recommendation was put forth to the Committee to:

- Note the outcome of the 2023 Compliance Audit Return;
- Note the actions the Town will undertake to ensure future compliance;
- Recommend Council adopt the 2023 Compliance Audit Return; and
- Recommend Council authorise the Mayor and Chief Executive Officer to sign and submit the Town's Compliance Audit Return 2023 to the Department of Local Government, Sport and Cultural Industries by 31 March 2024.

The Town used an evidence-based methodology to complete the 2023 CAR. Management was assigned the responsibility of addressing questions pertaining to their specific business units. Following the receipt of their responses, the Audit, Risk, and Insurance business unit requested sample evidence to verify the accuracy of the information provided. The sample evidence was cited and validated to ensure the accuracy of the responses.

Cr Turner supported the recommendation; however, with no seconder and no subsequent debate, the item lapsed. Consequently, the Town was non-compliant with

the deadline stipulated in Regulation 15 *of the Local Government (Audit) Regulations 1996*.

The 2023 CAR was considered at the Special ARC Meeting on 15 April 2024 and the ARC Committee resolved not to support the officer's recommendation to adopt the 2023 CAR, with Cr Turner for, and Councillors Blanco and Butson against. The 2023 CAR is item 11.1.3 on the 24 April 2024 Ordinary Council Meeting agenda.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is of medium significance, due to the deliberation on financial and governance matters during the meeting. These discussions bear significance on the Town's ability to meet its compliance obligations and manage its finances.

CONSULTATION

Internal

- Senior Audit, Risk and Insurance Advisor
- Manager Governance
- Director Corporate Services

External Agencies

- Nil

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

The Audit Committee Terms of Reference govern the functions, powers and membership of the ARC Committee.

FINANCIAL AND RESOURCE IMPLICATIONS

There are no financial implications associated with this item.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Strategic Community Plan

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

Our Leadership:

4.2.2 Transparent and regular financial reporting and communication to the community is undertaken.

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

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

Access and Inclusion

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

Nil

Corporate Business Plan

The following service of the Town’s *Corporate Business Plan 2023-2027* apply in relation to this item:

Our Corporate Services:

Governance and Procurement - Provide high standards of governance and leadership

Financial Management and Rates - Financial management services compliant with legislation to enable the Town to sustainably provide services to the community

Audit and Risk Management - Committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Compliance
Cause	Not reporting to Council
Effect (Consequence)	Non-compliance with best practice principles
Risk Treatment	Council receives the minutes from the 15 April 2024 Special ARC Committee Meeting and future meetings
<p>There is an operational risk associated with this item caused by not reporting the activities of the ARC Committee to Council which could lead to non-compliance with best practice principles and to an extent Standing Orders Local Law 2014.</p> <p>The risk rating is medium (6) which is determined by a likelihood of possible (3) and a consequence of minor (2)</p> <p>This risk will be eliminated by reporting the minutes of the ARC Committee to the Council for their consideration.</p>	

OPTIONS

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

CONCLUSION

In conclusion, this report presents the Unconfirmed Minutes of the Special Audit, Risk, and Compliance Committee meeting held on April 15, 2024, for Council's review.

Notable discussions during the meeting included the Audited Financial Statements 2022-23, proposed amendments to the ARC Committee's Terms of Reference and the 2023 Compliance Audit Return. The Committee's recommendations, decisions, and actions taken are reflected within this report.

ATTACHMENTS

1. 20240419 Final Agenda _ V 3 [**11.1.1.1** - 35 pages]

11.1.2 Audited Financial Statements - Financial Year 2022-23

Author: **Manager Financial Services**

Authorising Officer: **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.

AUDIT, RISK AND & COMPLIANCE RECOMMENDATION

That Council:

- 1. Receive the Audited Annual Financial Report, Independent Auditor’s Closing Report, and Management Letter of Audit Findings for the Financial Year ended 30 June 2023; and**
- 2. Do not adopt the Audited Annual Financial Report, Independent Auditor’s Closing Report, and Management Letter of Audit Findings for the financial year ended 30 June 2023.**
- 3. Recommend Council conduct an independent forensic review into the towns Procurement processes and compliances with laws and regulations within the 21/22 and 22/23 budgets.**
- 4. Recommend Council conduct an independent review into the Delegated authority processes within the 21/22 and 22/23 budgets.**
- 5. Recommends the council applies the appropriate resources that funds this independent review.**
- 6. Recommend the council conduct an independent review on Credit Cards, Fuel cards, sundry payments from 2022-23 budgets.**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to consider and adopt the Audited Annual Financial Report, Independent Auditor’s Closing Report and Management Letter for the financial year ended 30 June 2023, and to endorse all reports to Council.

The Council may resolve to consider and accept the Committee Decision, the Officer’s Recommendation, amend or propose an alternate resolution.

RSM Australia Pty Ltd (“the Town’s Auditors”) have advised that the Office of the Auditor General (OAG) intends to issue a modified audit opinion for the financial year ended 30 June 2023.

DETAIL

Each year, the Town of Port Hedland (the “Town”) is required to prepare general purpose financial statements and refer them to its Auditors as soon as practicable, no later than 30 September following the end of the financial year (Section 6.4 of the

Local Government Act 1995). The draft Annual Financial Report for the year-ended 30 June 2023 was submitted to its Auditors on 30 September 2023.

The Annual Financial Report is prepared in accordance with Australian Accounting Standards; the *Local Government Act 1995*; and the *Local Government (Financial Management) Regulations 1996*. Management are responsible for preparing the Annual Financial Report in accordance with the Standards, Act and Regulations and to ensure that it fairly reflects the financial performance and position of the Town.

The Town's Auditors conducted the end of year audit onsite between 2-6 October 2023. The role of the Auditor is to provide an opinion based on their audit as to whether Management has fulfilled these obligations. The Auditors also prepare a separate, more detailed report for Management, identifying any issues arising from the conduct of the audit, and recommending any corrective actions.

The Town's Auditors issued the Town with a modified audit opinion with respect to the Annual Financial Report. Infrastructure Assets forms a significant part of the Total Assets of the Town, the Auditors found they were unable to obtain sufficient appropriate audit evidence regarding the completeness and accuracy of the Town's asset management system records to reliably value these assets within its accounting records. Due to the proportion of the Town's Infrastructure assets to the total assets, and the uncertainty of the size of any potential misstatement arising, the impact on the financial statements is considered material.

The Auditors have presented several matters for consideration by management as identified in Confidential Attachment 3.

Under section 5.54 of the *Local Government Act 1995*, the Annual Financial Report and Independent Auditor's Report must be accepted by the local government by 31 December, provided the Independent Auditor's Report is available. If the Independent Auditor's Report is not available in time for the Annual Financial Report for a financial year to be accepted by 31 December after that financial year, the Annual Financial Report is to be accepted by the local government no later than 2 months after the Independent Auditor's Report becomes available.

The Audited Annual Financial Report and Management Letter was signed off by the Auditor's on 10 April 2024, during the Exit Meeting. The ARC Committee has delegated authority to liaise with the Auditor, receive and examine the Auditor's report and any Management issues arising from the conduct of the audit. The ARC Committee received the Audited Annual Financials Report on 15 April 2024.

SUMMARY OF FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

Continuing Operations

The Town reports a net deficit of \$6,165,281 (refer to page 3 of the Annual Financial Report), this is favourable to budget by \$2,207,719.

The Town's operating revenue streams in financial year 2022/23 is favourable to budget by 24%. Specifically, this relates to grants received for cyclone restoration works, contributed assets and interest revenue.

The Town's operating expenses increased by 8%. Notable variances from budget include:

- Materials and contract costs increased by 14%, due to a payment of \$12M for the Spoilbank Landside development; and
- Depreciation on non-current assets increased by 27% due to an increase in the volume and value of capital assets.

AUDIT FINDINGS

The Town's Auditors have identified several matters for consideration to be addressed by Management. Please refer to Confidential Attachment 3 for these findings.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance as it summarises the financial position of the Town for the financial year ended 30 June 2023 and reflects performance against the Strategic Community Plan and Corporate Business Plan in existence at the time. Risks associated with the audit findings are set out in this report under the heading 'Risk Management Considerations'.

CONSULTATION

Internal

The Annual Financial Reports and audit were completed with the input and assistance of the Executive Leadership team, the Financial Services team and the Governance team.

External Agencies

- RSM Australia
- The Office of the Auditor General

Community

Not applicable

LEGISLATION AND POLICY CONSIDERATIONS

Part 7 of the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996* details the requirements for audit.

The Department of Local Government, Sport and Cultural Industries has also prepared Operational Guideline Number 9 to provide guidelines for the Committee relating to Audit in Local Government.

Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* details the CEO's duties in relation to financial management.

Under section 5.54 of the *Local Government Act 1995*, the annual financial statements and audit report must be accepted by 31 December, provided the auditor's report is available. If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

FINANCE AND RESOURCE IMPLICATIONS

The costs associated with conducting the interim and end of financial year audit are included in the 2022/23 budget and financial statements.

STRATEGIC SUSTAINABILITY IMPLICATIONS

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

Access and Inclusion

There are no significant identifiable outcome/outcomes of the Town’s Access and Inclusion Plan 2023-2026 relating to this item:

Corporate Business Plan

The following actions of the Town’s Corporate Business Plan 2018-2022 apply in relation to this item:

Our Corporate Services:

- Governance and Procurement - Provide high standards of governance and leadership
- Financial Management and Rates - Financial management services compliant with legislation to enable the Town to sustainably provide services to the community
- Audit and Risk Management - Committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Strategic
Risk Category	Financial
Cause	Financial
Effect	Medium
Risk Treatment	Accept
<p>There is a Strategic, risk associated with this item caused by regulated financial and reporting requirements, leading to potential for non-compliance.</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 accepted by the managements’ accounting practices, with external support services and overview by audit agencies.</p>	

OPTIONS

Option 1 – Adopt officer’s recommendation

That Council:

- 1. Receive the Audited Annual Financial Report, Independent Auditor’s Closing Report, and Management Letter of Audit Findings for the Financial Year ended 30 June 2023; and**
- 2. Adopt the Audited Annual Financial Report, Independent Auditor’s Closing Report, and Management Letter of Audit Findings for the financial year ended 30 June 2023.**

Option 2 – Amend committee’s or officer’s recommendation

Option 3 – Do not adopt officer’s recommendation or committee’s recommendation.

CONCLUSION

The 2022/23 Financial Year Annual Financial Report, Independent Auditor’s Closing Report and Management Letters are attached.

The Town is continuously working towards improvements in the financial management area and there will be a focus on creating stronger internal controls within financial management and processes in accordance with the Town’s values and long-term sustainability.

ATTACHMENTS

1. AFS 2022-2023 [**11.1.2.1** - 48 pages]
2. Management Representation Letter F Y 23 To PH [**11.1.2.2** - 7 pages]
3. Town of Port Hedland- Auditor's Closing Report - 30 June 2023 (Final 10 April 2024) [**11.1.2.3** - 22 pages]
4. CONFIDENTIAL REDACTED - Findings Identified During the Financial Audit 2022-2023 [**11.1.2.4** - 30 pages]
5. CONFIDENTIAL REDACTED - Findings Identified During the Information Systems Audit 2022-2023 [**11.1.2.5** - 15 pages]

11.1.3	2023 Compliance Audit Return
---------------	-------------------------------------

Author: Senior Audit, Risk & Insurance Advisor

Authorising Officer: Manager Governance

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

ARC202324/022 COMMITTEE DECISION

That the Council:

- 1. Notes the outcome of the 2023 Compliance Audit Return;**
- 2. Notes the actions the Town will undertake to ensure future compliance;**
- 3. Recommends Council adopt the 2023 Compliance Audit Return; and**
- 4. Recommends Council authorise the Mayor and Chief Executive Officer to sign and submit the Town’s Compliance Audit Return 2023 to the Department of Local Government, Sport and Cultural Industries.**

THIS MOTION WAS LOST (2/1)

PURPOSE

The purpose of this report is for the Council to consider the Town’s 2023 Compliance Audit Return (CAR) and the Audit, Risk and Compliance Committee (ARC Committee) recommendation from the 15 April 2024 Special ARC Committee meeting.

DETAIL

Annually, every Local Government Authority in Western Australia is required to perform a compliance audit for the preceding calendar year and submit the results to the Department of Local Government, Sport, and Cultural Industries (DLGSC) by March 31. The Compliance Audit Return is a self-assessment tool that assesses the local government's compliance with the *Local Government Act 1995* and its subsidiary regulations.

The ARC Committee is required to review the CAR, present its findings to Council for adoption, and recommend the Council authorise the Mayor and Chief Executive Officer sign and submit the CAR to the DLGSC by the statutory deadline of 31 March 2024.

The CAR serves as a tool used by the DLGSC to assess the operational compliance of local governments during the previous calendar year. Areas of identified non-compliance offer valuable insights, guiding officers in reviewing processes to enhance compliance standards.

Evidence based approach

The Town used an evidence-based methodology to complete the 2023 CAR. Management was assigned the responsibility of addressing questions pertaining to their specific business units. Following the receipt of their responses, the Audit, Risk,

and Insurance business unit requested sample evidence to verify the accuracy of the provided information. The sample evidence was cited and validated to ensure the accuracy of the responses.

Where a question inquired if a document had been uploaded to the website as mandated by statutory requirements, the Audit, Risk, and Insurance business unit confirmed and validated that the Town had indeed fulfilled this obligation.

Analysis of compliance

For the 2023 calendar year, the Town of Port Hedland attained a compliance rate of 93%, inclusive of all 'Yes' and 'N/A' responses.

A summary of the 2023 CAR results are as follows:

Category	Yes	N/A	No	Total
Commercial Enterprises by Local Governments	5			5
Delegation of Power/Duty	11		2	13
Disclosure of Interest	15	3	3	21
Disposal of Property	2			2
Elections		3		3
Finance	2	4	1	7
Integrated Planning and Reporting	3			3
Local Government Employees	2	3		5
Official Conduct	4			4
Optional Questions	8		1	9
Tenders for Providing Goods and Services	19	3		22
Total	71	16	7	94

Analysis of non-compliance

There were 7 instances of non-compliance for the 2023 calendar year.

The Town intends to address non-compliances over the 2024 calendar year. The CAR will be integrated into the compliance management system and responsible officers will be expected to provide routine updates.

Category	Reference	Question	Comments
Delegation of Power/Duty #5	s5.18	Has Council reviewed delegations to its committees in the 2022/2023 financial year?	The 2023/24 Delegation Review went to the 30 August 2023 OCM, which resulted in an absolute majority council decision. CM202324/118.
Delegation of Power/Duty	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at	The 2023/24 Delegation Review went to the 30 August 2023 OCM, which

Category	Reference	Question	Comments
#12		least once during the 2022/2023 financial year?	resulted in an absolute majority council decision. CM202324/118.
Disclosure of Interest #4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Not all primary returns were lodged within three months of the relevant person's start date. All but 1 have subsequently been provided to the Town. The employee who did not lodge their return is no longer employed at the Town.
Disclosure of Interest #5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2023?	There were 7 outstanding annual returns. The employees are no longer employed at the Town.
Disclosure of Interest #9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	This register is maintained by Governance regularly. However, it contains details of people who are no longer required to lodge a return.
Finance #3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2023 received by the local government by 31 December 2023?	The OAG and RSM as auditors have not completed their reports as of 31 December 2023.
Optional Questions #7	s5.127	Did the local government prepare a report on the training completed by council members in the 2022/2023 financial year and publish it on the local government's official website by 31 July 2023?	The Town maintains a Councillor Training Register; however, the Register was not uploaded to the Town's website in 2023. The register was uploaded to the website in February 2024.

The draft version of the CAR was discussed at an ARC Committee agenda feedback session on 5 March 2024 with further information requested by the ARC Committee. This information was compiled and provided to the ARC Committee, with a briefing held on 11 March 2024 for further discussion of the issues raised.

The CAR was presented for consideration by the ARC Committee at the 12 March 2024 meeting, with Cr Turner moving the recommendation; however, with no

seconded and no subsequent debate, the item lapsed. The ARC Committee was advised that the Town would be non-compliant with the deadline stipulated in regulation 15 of the *Local Government (Audit) Regulations 1996*. The Town has received a letter of non-compliance from DLGSC, requiring submission by 19 April 2024 (attachment 2).

At the 15 April 2024 Special ARC Committee Meeting the ARC Committee resolved not to support the Officer’s Recommendation:

ARC202324/022 COMMITTEE DECISION

MOVED: Cr Tim Turner

SECONDED: Cr Lorraine Butson

That the Audit, Risk and Compliance Committee:

- 1. Notes the outcome of the 2023 Compliance Audit Return;**
- 2. Notes the actions the Town will undertake to ensure future compliance;**
- 3. Recommends Council adopt the 2023 Compliance Audit Return; and**
- 4. Recommends Council authorise the Mayor and Chief Executive Officer to sign and submit the Town’s Compliance Audit Return 2023 to the Department of Local Government, Sport and Cultural Industries.**

THIS MOTION WAS LOST (2/1)

For: Cr Tim Turner

Against: Cr Camilo Blanco, Cr Lorraine Butson

The Council may resolve to consider and accept the Committee Decision, the Officer’s Recommendation (below), amend or propose an alternate resolution.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 ‘Significant Decision Making’, this matter is considered to be of medium significance, due to the potential consequences resulting from non-compliance, the potential impact on the Town’s service delivery capabilities, the potential effect on the Town’s reputation, and the general interest shown by the community in the compliance of the Town’s business operations.

CONSULTATION

Internal

- ARC Committee
- Executive Leadership Team
- Manager Planning & Economic Development
- Manager Governance
- Principal HR Operations
- Senior Economic Development Officer
- Senior Corporate Performance Advisor
- Senior Procurement & Contracting Advisor

- Governance Advisor
- Coordinator Property Management

External Agencies

- Western Australian Local Government Association (WALGA)
- Department of Local Government, Sport and Cultural Industries (DLGSC)

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

Regulation 14 of the Local Government (Audit) Regulations 1996 (Audit Regulations) requires that a CAR be completed and submitted to the Department by 31 March 2024.

14. Compliance audits by local governments

(1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.

(2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.

(3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.

(3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —

(a) presented to the council at a meeting of the council; and

(b) adopted by the council; and

(c) recorded in the minutes of the meeting at which it is adopted.

Regulation 15 of the Audit Regulations requires a joint certification to be completed by the Mayor and Chief Executive Officer. The document is to be forwarded to the Department via its online portal.

15. Certified copy of compliance audit return and other documents to be given to Departmental CEO

(1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with

(a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and

(b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.

(2) In this regulation — certified in relation to a compliance audit return means signed by —

(a) the mayor or president; and

(b) the CEO.

FINANCE AND RESOURCE IMPLICATIONS

There are no financial implications related to this item.

STRATEGIC SUSTAINABILITY IMPLICATIONS

The following section of the Town’s Strategic Community Plan 2018-2028 is applicable in the consideration of this item:

Our Leadership:

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

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

Access and Inclusion

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

Nil

Corporate Business Plan

The following action of the Town’s Corporate Business Plan 2018-2022 apply in relation to this item:

Our Corporate Services:

Audit and Risk Management - Committed to organisation wide risk management principles, systems and processes that ensure consistent, efficient and effective assessment of risk in all planning, decision making and operational processes.

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Compliance
Cause	ARC Committee failing to reach a resolution to recommend Council’s adoption of the 2023 CAR.
Effect	Non-compliance with Regulation 15 of the Local Government (Audit) Regulations 1996, which requires the Town to submit its CAR to the DLGSC by March 31.
Risk Treatment	<ul style="list-style-type: none"> • An analysis of non-compliance has been conducted, and strategies for improvement will be discussed with the Executive Leadership Team and individual business units to enhance compliance in the 2024 Calendar Year. • The ARC Committee has received detailed commentary on each non-compliance to provide context. • The Town is non-compliant with Regulation 15 due to the ARC Committee’s refusal to consider the CAR at the 27 March ARC Committee Meeting, resulting in a DLGSC non-compliance letter.

	<ul style="list-style-type: none"> To mitigate the risk of ongoing non-compliance, it is essential for the Council to reach a resolution and adopt the CAR.
<p>There is a compliance risk associated with this item if the Council fails to reach a resolution to adopt the 2023 CAR. Such an outcome could result in ongoing non-compliance with Regulation 15 of the Local Government (Audit) Regulations 1996, which requires the Town to submit its CAR to the DLGSC by March 31.</p> <p>The risk rating is considered Medium (9) determined by a likelihood of Possible (3) and a result of Moderate (3).</p> <p>This risk will be mitigated by the Council's adoption of the 2023 CAR.</p>	

OPTIONS

Option 1 – Adopt officer's recommendation.

That the Council:

- 1. Notes the outcome of the 2023 Compliance Audit Return;**
- 2. Notes the actions the Town will undertake to ensure future compliance;**
- 3. Adopts the 2023 Compliance Audit Return; and**
- 4. Authorises the Mayor and Chief Executive Officer to sign and submit the Town's Compliance Audit Return 2023 to the Department of Local Government, Sport and Cultural Industries by 31 March 2024.**

SIMPLE MAJORITY VOTE REQUIRED

Option 2 – Amend officer's or committee's recommendation.

Option 3 – Do not adopt officer's or committee's recommendation.

CONCLUSION

The CAR is an obligatory requirement imposed on all local governments for statutory compliance. It serves as a tool for the Town to assess its procedures, ascertain compliance, and relay the review outcomes to the DLGSC.

ATTACHMENTS

1. 20240226 Compliance Audit Return 2023 [**11.1.3.1** - 12 pages]
2. E 24050236 - Letter of Non- Compliance - 2023 Compliance Audit Return [**11.1.3.2** - 1 page]

12 Reports of Officers

12.1 Corporate Services

12.1.1	Statement of Financial Activity - March 2024
---------------	---

Author: Senior Financial Accountant

Authorising Officer: 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.

OFFICER’S RECOMMENDATION

That Council:

- 1. Receive the Statement of Financial Activity for the period ended 31 March 2024 as shown in attachment 1;**
- 2. Receive the Material Variance Report, as shown in attachment 2;**
- 3. Note the Accounts paid under delegated authority for the period ended 31 March 2024 as shown in attachment 3;**
- 4. Receive the Purchasing Card statements for the period ended 31 March 2024, as shown in attachments 4 and 5**
- 5. Receive the Investment Summary Report for the period ended 31 March 2024, as shown in attachment 6.**
- 6. Receive the Capital Project Listing for the period ended 31 March 2024, as shown in attachment 7**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to consider the Statement of Financial Activity for the period ended 31 March 2024. Supplementary information is also presented to Council to provide further information regarding the Town’s activities.

DETAIL

The information provided in this report is for the period ended 31 March 2024, with financial results included in Attachment 1. The preparation of the reports has been reviewed towards maintaining compliance with the *Local Government Act 1995 and*

Financial Management Regulations that has resulted in a reduction of some information not necessarily required to be prepared on a monthly basis. The March Financial Report relies upon audited unconfirmed financial results for the 2022/23 financial year at the time of writing of report.

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 2023/2024 original 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.

The opening funding surplus of \$4.4M presented in Year to Date Actual on the Statement of Financial Activity is as per the closing surplus of the audited unconfirmed June 2023 financial statements.

The net current funding position (surplus/(deficit) from the Statement of Financial Activity as at 31 March 2024 is a surplus of \$31.0M. This is due to the practice of raising rates and charges for the full financial year when the rates notices are generated. The YTD surplus of \$ 6.26M favourable to budget due to reduced YTD spend on materials and services and employee vacancies.

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

- *Nil*

External Agencies

- *Nil*

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 of 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

Strategic Community Plan

The following section/s of the Town’s *Strategic Community Plan 2022-2032* apply in relation to this item:

Our Leadership:

4.2.2 Transparent and regular financial reporting and communication to the community is undertaken

Access and Inclusion

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

Nil

Corporate Business Plan

The following service/s of the Town’s *Corporate Business Plan 2023-2027* apply in relation to this item:

Our Corporate Services:

Financial Management and Rates - Financial management services compliant with legislation to enable the Town to sustainably provide services to the community

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 expense throughout the 2023/2024 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 \$ 4.4M presented in YTD Actual on the Statement of Financial Activity, is as per the closing surplus presented in the unaudited financial statements from June 2023. The net current funding position is \$31.0M.

ATTACHMENTS

1. Statement of Financial Activity - March 2024 [**12.1.1.1** - 7 pages]
2. Material Variance Report - March 2024 [**12.1.1.2** - 4 pages]
3. List of Payments - March 2024 [**12.1.1.3** - 58 pages]
4. Credit Card Statements- March 2024 without names [**12.1.1.4** - 17 pages]
5. Fuel cards Statements - March 2024 [**12.1.1.5** - 5 pages]
6. Investment Summary Report - March 2024 [**12.1.1.6** - 10 pages]
7. Capital Projects Listing - March 2024 [**12.1.1.7** - 12 pages]

12.1.2	Corporate Business Plan Quarterly Report - 2023-2024 Quarter 3
---------------	---

Author: Senior Corporate Performance Advisor

Authorising Officer: 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.

OFFICER’S RECOMMENDATION

That Council receives the Corporate Business Plan Quarterly Report – 2023/24 Quarter 3 as per Attachment 1.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for the Council to receive the Quarter 3 report on the progress of service delivery as outlined in the Corporate Business Plan (CBP) 2023-2027. The report captures the period January to March 2024.

DETAIL

The Integrated Planning and Reporting (IPR) provides local governments with a framework for establishing local priorities and linking these to operational functions as detailed in Strategic Community Plans and Corporate Business Plans. The IPR Framework requires that regular monitoring and reporting of these plans are undertaken. The Town of Port Hedland’s IPRF recommends implementing quarterly reports to inform the Council of the Town’s performance against the community outcomes, enabling the Town to respond to changing priorities.

The Town of Port Hedland’s Corporate Business Plan 2023-2027 was adopted by the Council on 30th August 2023. It is the Town’s 4-year planning document that comprises the services, service levels, any planned changes and major projects the Town aims to deliver over the four years, to achieve the deliverables listed in the Strategic Community Plan 2022-2032. It is reviewed and updated annually in line with the development of each year’s annual budget.

The quarterly report ensures that the Council and the community are aware of the Town’s progress against the CBP’s Actions and that services are being delivered. It is an effective means to update the Council and the community on progress against agreed priority actions. The report provides information on the progress made against these service levels and covers the period January to March 2024.

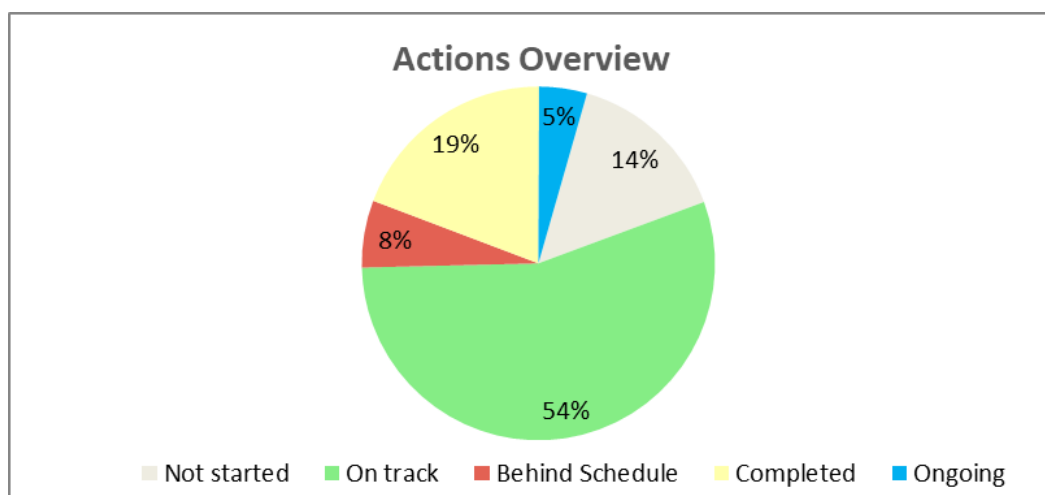
The report identifies the key actions, the status of each action, the percent complete along with commentary on the progress where applicable. The majority of the services are being progressed and are on track. However, some of the actions have yet to start

or are behind schedule and delays have been explained. Comments have been provided for such actions including details of their expected start dates.

Summary:

The table and chart below provide a summary of the overall progress of the 114 actions reported against:

Action Progress Status	Description	Number	%ge
Not started	This initiative/project is scheduled to start at a later time in the course of the Corporate Business Plan	16	14
On track	This initiative/project is in progress and expected to be completed in the scheduled time	62	54
Behind schedule	This initiative/project has not started at the scheduled time or is in progress but not expected to be completed in the scheduled time. Please see the "comment" column for an explanation and management response	9	8
Completed	This initiative/project was completed during the last quarter	22	19
Ongoing	This initiative/project is in progress and expected to continue for some time in the future	5	5
Total		114	100



Highlights of the period January to March include the progression of many important projects such as review of important informing plans and the early stages of important community projects including:

- Key worker housing - The Request for Proposal (RFP) has been successfully released to shortlisted respondents.
- Childcare Expansion and Development - Development application for an expansion of the Rose Nowers Early Learning Centre in South Hedland was supported by the Council.
- South Hedland Civic and Community Hub - A site inspection was held in March 2024, where consultants coordinated with the TAFE team for building access.
- ERP - eRecruitment module was completed and is in production.
- Community Safety - The Bike Lock program was rolled out.
- Risk Management – The Audit and Risk Management reporting system was launched.

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

- ELT
- SLT
- Senior Officers

External Agencies

- Nil

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

Section 5.56 of Local Government Act 1995 outlines the requirement for Local Governments to plan for the future. The adoption, implementation and reporting of strategic community and CBP facilitate this requirement

FINANCIAL AND RESOURCE IMPLICATIONS

Nil

STRATEGIC SUSTAINABILITY IMPLICATIONS

Strategic Community Plan

The following sections of the Town’s *Strategic Community Plan 2022-2032* are applicable in the consideration of this item:

Our Leadership:

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

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:

- Outcome 3 – Accessible Information
- Outcome 4 – Quality of Service

Corporate Business Plan

The following service of the Town’s *Corporate Business Plan 2023-2027* apply in relation to this item:

Our Corporate Services:

Strategic and Corporate Planning - Planning for the future (Integrated Planning and Reporting): community vision, clear strategic direction and financial sustainability

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Strategic
Risk Category	Compliance Reputational
Cause	Non-compliance with statutory requirement as well as inability to meet community expectations
Effect (Consequence)	Not delivering on the Council and community expectation to be informed of the Town’s performance against the Corporate Business Plan. Non-compliance with the IPR (Integrated Planning and Reporting) requirement to have a system of monitoring and reporting performance of the Town’s Strategic Community Plan and the Corporate Business Plan.

Risk Treatment	Progress report on the Town’s CBP performance is provided to Council
<p>There is a Strategic, risk associated with this item caused by non-compliance with statutory requirement and the potential for the Town to be unable to meet community expectations, 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 eliminated by receiving and noting the progress report.</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 the Council of the progress the Town has made in regard to the adopted Corporate Business Plan 2023-2027. The Corporate Business Plan outlines the organisation’s services, service levels and major projects to achieve its deliverables in the Strategic Community Plan. The report identifies the status of each action along with commentary on the progress where applicable.

ATTACHMENTS

1. To PH CBP Quarterly Report_ 2023-24 Q 3 [**12.1.2.1** - 26 pages]

12.2 Community Services

12.2.1 RFT2324-24 Courthouse Gallery Management Services

Author: **Manager Events, Arts & Culture**
Authorising Officer: **Acting Director Community Services**
Disclosure of Interest: The Author and Authorising Officer declare that they do not have any conflicts of interest in relation to this item.

OFFICER’S RECOMMENDATION

That Council Award RFT2324-24 Courthouse Gallery Contract Management Services to the preferred tenderer for the delivery of gallery management services to the amount of \$XXX per annum for an initial three (3) year period, including a one (1) year plus one (1) year optional extension period at the sole discretion of the Town.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is to provide Council with an assessment of the submission received for RFT2324-24 Courthouse Gallery Management Services and to endorse the evaluation panel’s recommendations for the preferred contractor.

DETAIL

The Town of Port Hedland is seeking to appoint a local arts organisation supplier to manage services at the Courthouse Gallery located at 16 Edgar Street, Port Hedland. The contract term is for three (3) years commencing on 1 July 2024 with the option for Council to extend for a one (1) year plus one (1) year period.

Background:

Since 1 July 2019, the preferred tenderer has been contracted by the Town to manage and operate the Courthouse Gallery. On 23 February 2022, Council endorsed a variation to include new KPI’s and deliverables for the activation and programming in South Hedland commencing from 1 July 2022. The contract was recently extended to 30 June 2024.

More recently, an external review was undertaken of the Courthouse Gallery management services by Artify Consulting, and on 7 February 2024 Council endorsed the following recommendations relating to the review:

1. *Endorses the Courthouse Gallery Review undertaken by Artify consulting;*
2. *Endorses the management of the Courthouse Gallery is to remain outsourced to a third-party operator;*
3. *Delegates to the CEO or their delegate to undertake a public tender process to source a suitable operator for the Courthouse Gallery for commencement on cessation of the contract with The Junction Co.*

More specifically, the Courthouse Gallery Review report identified seven (7) main areas for improvement. These include:

1. Defining a clear vision and purpose
2. Enhanced focus on local art, storytelling and supporting makers
3. Professionalism in the Gallery
4. Increased community engagement and participation
5. Quality over quantity of programming
6. Quality reporting and accountability
7. Separate South Hedland Activation and Programming KPI's.

As a result, the Courthouse Gallery review highlighted the need for the future tender to reset a clear vision, strategic goals and KPI's in accordance with the above recommendations, and the Arts & Culture Plan 2023-27. A copy of the request for tender document, which includes the updated strategic goals, deliverables and KPI's is included as 'Attachment 3'. The renewed strategic vision includes:

The Courthouse Gallery strives to become a cultural beacon of Port Hedland and the broader region by nurturing and showcasing the rich tapestry of local stories, culture and creativity. The gallery aims to empower artists, inspire creativity, engage diverse communities and enrich the cultural landscape of Port Hedland, by providing a welcoming destination for creative expression and cultural exchange.

The Courthouse Gallery is considered a vital cultural asset to the Town of Port Hedland, supporting the Arts & Culture Plan 2023-2027 vision to create a more livable and loveable Hedland. Moving forward, the current contract will be awarded to a supplier who best demonstrates the ability to provide gallery management services and programming at a competitive price and in accordance with the endorsed Courthouse Gallery review recommendations and renewed strategic direction. Noting that the South Hedland Activation and Programming KPI's has been removed from Request for Tender specifications.

Request for Tender

The Town received one (1) submission for 2324-24. The sole respondent was the preferred tenderer and the submission received is compliant.

The tender submission has been evaluated by a panel of five (5) Town employees, including two (2) directors, whose main objectives were:

- a) Make a recommendation to Council.
- b) Ensure the tender submission is assessed fairly in accordance with a predetermined weighting schedule;
- c) Ensure adherence to Local Government policies and recommendations; and
- d) Ensure that the requirements specified in the Request are evaluated in a way that can be measured and documented

The Procurement Team facilitated the evaluation meeting held on Wednesday 27 March 2024.

The compliant submission was assessed against the qualitative criteria as listed in the below table:

Criteria	(%)
Relevant Experience	20%
Key Personnel, Skills + Capacity	20%
Demonstrated Understanding, Methodology, Quality / Suitability of Program	40%
Local Content	20%
	100%

A summary of the assessment results of each submission received is included in the confidential evaluation report attached.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 ‘Significant Decision Making’, this matter is considered to be of medium 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 - The matter will have implications for the present and future social, economic, environmental, and cultural well-being of Port Hedland
- Exception - The proposal or decision is not of a nature or significance that requires engagement.
- 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.
- Exception - There is a need for confidentiality or commercial sensitivity.
- Exception - The proposal or decision has already been addressed by the Council’s strategies, policies or plans, which have recently been consulted on.

CONSULTATION

Internal

- Procurement
- Arts & Culture Team
- Infrastructure
- Economic Development

External Agencies

- N/A

Community

Feedback received from the Courthouse Gallery review project and associated recommendations has been incorporated in the RFT scope of works.

LEGISLATION AND POLICY CONSIDERATIONS

Section 3.57 of the Local Government Act 1995, and division 2 of the Local Government (Functions and General) Regulations 1996 apply in relation to the invitation to tenders.

The evaluation report and corresponding details relating to the respondents offers are deemed confidential pursuant to section 5.23 (c) and (e) of the Local Government Act 1995.

The following Town policies were considered in relation to the tender:

1. 2/007 'Purchasing'
2. 2/016 'Regional Price Preference'

FINANCIAL AND RESOURCE IMPLICATIONS

A breakdown of the approved annual management fee for the Courthouse Gallery services since the contract was awarded in 2019, is included below. Note that commencing on 1 July 2022, the management fee was increased by \$78,000 per annum to include additional KPI's and deliverables for the activation and programming of South Hedland, which was endorsed by Council on 23 February 2022.

Financial Year	Management Fee
1 – July 2019 to June 2020	\$530,000
2 – July 2020 to June 2021	\$500,000
3 – July 2021 – June 2022	\$450,000
4 – July 2022 – June 2023	\$500,000 + \$78,000 = \$578,000
5 – July 2023 – June 2024	\$500,000 + \$78,000 = \$578,000

As part of the 24/25 Annual Budget, \$600,000 has been proposed for the Courthouse Gallery Contract Management Services. Note that the South Hedland Activation and KPI's are not included in the current tender. This is an annual increase of \$100,000 specifically for the Courthouse Gallery from the previous financial year.

A breakdown of the full Courthouse Gallery management fee proposed by the preferred tenderer, is provided below:

Financial Year	Management Fee
1 – July 2024 to June 2025	\$600,000
2 – July 2025 to June 2026	\$600,000
3 – July 2026 – June 2027	\$600,000

4 – July 2027 – June 2028 (optional extension period at the sole discretion of the Town)	\$600,000
5 – July 2028 – June 2029 (optional extension period at the sole discretion of the Town)	\$600,000

Also, included within the tender contract deliverables is a requirement for the awarded organisation to produce a grants and sponsorship plan to increase the financial independence of the service over the next five years. The current contractor, the preferred tenderer receives additional funding from Regional Arts WA and BHP. Additional in-kind support is provided from the Arts Gallery of Western Australia (AGWA).

STRATEGIC SUSTAINABILITY IMPLICATIONS

Strategic Community Plan

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

Our Community:

1.1.1 Stakeholders are engaged to develop a whole-of-town approach to increase access to quality health and wellbeing services.

1.3.1 The community, industry, arts and cultural organisations are engaged in identifying, planning and coordinating events and activities.

1.3.2 Events and activities to celebrate the Town's cultural heritage, arts and Pilbara lifestyle are consistently programmed and delivered.

1.3.4 The Town's program of events and activities is promoted locally, regionally and nationally.

1.4.1 The present and future facilities and requirements of the town are planned for and developed in-line with relevant facility standards and community needs.

1.4.3 Facilities and community infrastructure are well maintained, managed and fit-for-purpose to provide a range of lifestyle opportunities.

1.4.4 Community services and facilities are well promoted

Our Economy:

2.1.3 Strengthen the levels of collaboration, partnership and active networking between industry and business operators and stakeholders.

2.3.3 Prioritise, encourage and promote local procurement.

2.4.2 Market and promote Hedland for tourism.

2.4.3 Grow and promote existing and new local events that champion local culture and community.

2.4.4 Market and promote the local lifestyle of the Hedland community

2.5.6 Support regional growth initiatives.

Our Built and Natural Environment:

3.3.4 Town Teams are created and supported in both Port and South Hedland that actively engage residents in place making and urban renewal.

Economic

Management of the Courthouse Gallery includes opportunities for local employment and capacity building in the arts and culture industry. In addition, the programming services requires a focus on local art production, sales, and capacity building of artists for the purpose of creating genuine arts career pathways.

Social

There are social benefits from having high quality gallery management, programming, and activation experiences available to the community. The Courthouse Gallery has been identified as the Pilbara’s Regional Art Gallery facility and in the 2022/23 FY, attracted approximately 25,000 people through gallery exhibitions, workshops, and activations in the Courthouse Gallery gardens and surrounding area.

There is no significant identifiable environmental impact 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:

- Outcome 1 – Events and Services
- Outcome 2 – Buildings and Facilities
- Outcome 4 – Quality of Service

Corporate Business Plan

The following services of the Town’s *Corporate Business Plan 2023-2027* apply in relation to this item:

Our Community Services:

Events, Arts and Culture - Cultivate an arts and cultural scene that celebrates the rich and culturally significant history of our region, as well as embracing the future

Our Infrastructure Services:

Property Management and Maintenance - Ensure facilities are well maintained in line with the Town’s asset management program

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Service Interruption Reputational
Cause	Not approving a contractor to deliver Courthouse Gallery management services
Effect (Consequence)	Not delivering services at the Courthouse Gallery

Risk Treatment	Working collaboratively with our community to better understand the needs and desire for Courthouse Gallery management services.
<p>There is an Operational risk associated with this item caused by not approving a contractor to deliver the Courthouse Gallery contract services, leading to a reputational and service disruption risk of not providing regional gallery services and programming.</p> <p>The risk rating is considered to be Medium (5) which is determined by a likelihood of Unlikely (2) and a consequence of Moderate (3).</p> <p>These risks will be mitigated by working more closely with our local arts organisations and community to better understand future needs for Courthouse Gallery management services.</p>	

OPTIONS

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

CONCLUSION

The evaluation panel recommend awarding RFT2324-24 to preferred tenderer due to relevant experience, value for money, quality and suitability of content, high level of understanding and capacity to deliver on community expectations.

ATTACHMENTS

1. CONFIDENTIAL REDACTED - Attachment 1 - Confidential - CEO Signing Memo [12.2.1.1 - 4 pages]
2. CONFIDENTIAL REDACTED - Attachment 2 - Confidential RFX Summary Report [12.2.1.2 - 9 pages]
3. CONFIDENTIAL REDACTED - Attachment 3 RFT2324 24 Courthouse Gallery Management Services 2024 [12.2.1.3 - 34 pages]

12.3 Regulatory Services

Nil

12.4 Infrastructure Services

12.4.1	Cooke Point Shared Footpath - Endorsement of Concept Design
---------------	--

Author: Director Infrastructure Services

Authorising Officer: Director Infrastructure Services
Manager Infrastructure Projects & Assets

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

OFFICER'S RECOMMENDATION

That Council endorse the Concept alignments 1A and 2A for Stage 1 and 2 of the Cooke Point Shared Footpath Project as per attachment 1 and 2.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to consider endorsing the concept alignment for Stage 1 and 2 of the Cooke Point Shared Footpath project.

DETAIL

The Cooke Point Shared Footpath project has been identified as a missing link in the Pilbara Cycling Strategy (2050) and the Port Hedland Coastal Foreshore Management Plan (2021).

The construction of this footpath will:

- Improve connectivity along Port Hedland's foreshore;
- Provide safe and inclusive pedestrian access to the coastal areas;
- Encourage physical activity and activation of public space (Sutherland Street and Goode Street foreshore);
- Improve safety for people who utilise our footpaths for transport, including school children and individuals with no access to vehicular transport;
- Enhances and integrates the incomplete cycling network within the town.

The Town was successful in obtaining a Western Australian Bicycle Network (WABN) grant from the Department of Transport (DoT), which the Town will match for the detailed design of the project. Currently, the network connection from Port Hedland ceases at Goode Street, and the path network does not extend north towards Port Hedland. Therefore, at present, there is no path available for cyclists and pedestrians. This scenario is deemed highly undesirable as it presents safety hazards to all individuals using the roadways.

The need for this pathway is evident and providing a shared path would yield significant benefits to the community. The current environmental conditions do not encourage walking or cycling due to the lack of a connected network between Goode

Street and Sutherland Street, resulting in poor accessibility to activity centers, and recreation areas.

The Town engaged JDSI Engineering Consultants to prepare concept designs for both Stages 1 and 2 of the Cooke Point Shared Footpath. JDSI have prepared multiple options for consideration, with advantages and challenges of each noted below:

Cooke Point Shared Footpath- Stage 1 (Option 1A)

Description:

This shared footpath alignment connects Sutherland Street with the northwest side of Dempster Street. It commences at the junction of Keesing and Sutherland Street, running parallel to the property boundary for its entire length.

Advantages:

This footpath alignment closely follows the existing property boundary, minimizing disruption to natural vegetation. Additionally, it requires minimal earthworks and subsequent rehabilitation efforts.

Situated near the adjoining property boundary, this alignment enhances safety for footpath users compared to a path running away from it, particularly in areas with sand dunes on either side. This positioning also provides footpath users with better views of the surrounding landscape and entails less maintenance due to its location.

Challenges:

The proximity of this alignment to residential and commercial property boundaries may be perceived to affect privacy and security for adjacent landowners. Access to the alignment can be gained by foot now and staff believe there will be minimal issues with the alignment.

This is the preferred concept design option for Stage 1 of the project.

Cooke point shared footpath- Stage 1 (Option 1B)

Description:

This shared footpath alignment connects Sutherland Street with the northwest side of Dempster Street. It commences at the junction of Keesing and Sutherland Street, proceeding parallel to the property boundary for 260 meters. It then follows the valley sand dune topography on either side.

Advantages:

The footpath's location in the valley provides a degree of privacy for adjacent residential properties.

Challenges:

This alignment poses challenges as it will disturb natural vegetation and lacks coastal views. Significant earthwork and rehabilitation are required due to existing site conditions and topography increasing disturbance and the costs of the project.

Although this option has some advantages, option 1A is preferred.

Cooke point shared footpath - Stage 2 (Option 2A)Description:

The shared footpath alignment connects the missing footpath link on one side of Goode Street with Corney Street. It begins at the junction of Corney and Goode Street, offsets 30 meters towards the sea, then runs parallel to the property boundary and terminates at the junction of McPherson Street and Goode Street.

Advantages:

Most of this footpath alignment closely adheres to the existing property boundary, effectively reducing disturbance to the surrounding natural vegetation. Following consultations with neighboring residents, a decision was made to adjust the footpath's alignment, shifting it 30 meters towards the sea. This alteration was motivated by the desire to enhance coastal views and offer a degree of seclusion along the property boundary.

Challenges:

Certain sections of this alignment, particularly those near the sea, present challenges and potential risks stemming from coastal erosion. The proximity of these sections to the coastline increases their vulnerability, necessitating careful consideration and potential mitigation measures to address the associated hazards.

This is the preferred concept design option for Stage 2 of the project.

Cooke point shared footpath- Stage 2 (Option 2B)Description:

The shared footpath alignment connects the missing footpath link on one side of Goode Street with Corney Street. It begins at the junction of Corney and Goode Street, then runs parallel to the property boundary and terminates at the junction of McPherson Street and Goode Street.

Advantages:

Most of this footpath alignment closely adheres to the existing property boundary, effectively reducing disturbance to the surrounding natural vegetation.

Challenges:

Nevertheless, the proximity of this alignment to residential and commercial property boundaries presents significant challenges, with nearby residents expressing considerable apprehension about its proximity and future security implications. Moreover, the absence of coastal views along this alignment further compounds the dissatisfaction among stakeholders. Considering this feedback we have changed the design as option 2A alignment addresses these concerns.

Although this option has some advantages, option 2A is preferred.

It is possible to deliver half of the project although this is likely to affect the grant the Town has received for the project as this was given for the total project.

Delivery Timeline

Given that this project is in the early stages of concept design, an accurate delivery timeframe is not yet confirmed, however, the following project milestones are estimated:

April 2024 – Council Endorsement of Concept Design

May 2024 – Detailed Design finalized

July 2024 – Construction Contractor Award

August 2024 – Works commence

December 2024 – Works complete

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
- 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

Community

The initial concepts were presented to ratepayers identified as key stakeholders due to their property's proximity to the proposed path and access ways alignments, in an open consultation meeting on 18 December 2023. Further feedback was received from affected residents via email. Based on feedback from these discussions and other responses gathered it was determined that additional alignment would need to be considered to meet external stakeholder's requirements. The revised alignment was referred back to all key stakeholders, with the majority confirming their support for the revised alignment.

Moreover, in its efforts to ensure thorough consideration, the Town has engaged in consultations to develop two concept alignments for both shared footpaths. To facilitate an informed decision-making process, a Cost Estimate has been prepared for both alignments, and it is provided as an attachment to this report.

Internal

- Director Infrastructure Services

- Director Regulatory Services;
- Project Manager;
- Manager Community Development;
- Manager Infrastructure Operations;
- Manager Financial Services;
- Manager Infrastructure Projects and Assets;
- Manager Town Planning and Development.

Fortnightly design review meetings involving key internal stakeholders have been held in relation to the overall planning of the Cooke Point Shared Footpath project since October 2023.

External Agencies

- Town of Port Hedland residents near to the footpath
- Holiday village caravan park
- Port Hedland Primary school
- Department of Biodiversity, Conservation and Attractions
- Department of Planning, Lands and Heritage

In relation to the new *Aboriginal Cultural Heritage Act 2021*, Town officers will conduct any key relevant assessments, obtain any required permits or management plans, and undertake any consolation as required under the Act.

LEGISLATION AND POLICY CONSIDERATIONS

With regard to the design and delivery of this project, the following will be considered:

- *Local Government Act 1995*
- *Aboriginal Cultural Heritage Act 2021*
- *Biodiversity Conservation Act 2016*
- *Work Health & Safety Act 2021*

The following Town policies apply:

- *1/016 Workplace Health and Safety Policy*
- *1/022 Risk Management Policy*
- *2/007 Procurement Policy*
- *2/017 Grant Funding (External) Policy*
- *8/003 Access and Inclusion Policy*
- *9/010 Asset Management Policy*

FINANCIAL AND RESOURCE IMPLICATIONS

Using cost information for previous greenfield footpath projects the Town initial pre-design estimate construction cost at the inception of the project was \$1,250,000 which was allocated in the 2023/2024 Annual Budget, with half funded through the State government WABN grant funding program.

The pre-design estimate was calculated using average per meter rates for similar projects applied to a early draft alignment that minimised overall distance. The attached concept design alignments maximise user experience by improving coastal views and also consider feedback from immediate stakeholders regarding property setbacks and privacy.

The preliminary cost estimate provided by JDSI engineering consultants amounts to \$1,714,587. It is anticipated that using the total sum of the original 23/24 budget allocation and grant funding partner contributions, plus the addition of the proposed 24/25 dual use path and lighting budget as noted in the LTFP will provide sufficient funding to deliver the construction of the project.

It's important to note however that market conditions at time of tender will affect potential construction costs and additional funding may be required. Should this be the case, additional budget approval will be sought from Council when the Construction Tender is awarded.

Grant Funding

In November 2022, the Town applied for funding through the Department of Transport's (Department) West Australian Bicycle Network (WABN) Grant Program for the Cooke Point Shared Path Project.

The application was successful, leading to the Town executed a funding agreement with WABN in June 2023 for grant funding totaling \$625,000.

The grant funding program is intended to be a 50:50 contribution split. Should the concept alignment be approved the Town will begin discussions with WABN regarding options to seek further funding under the scheme to return the funding split to 50:50 based on the current cost estimate.

Funding Source Breakdown

Contributor	Value
Town of Port Hedland 23/24 Budget Allocation	\$1,250,000
Grant Funding Partner (WABN)	\$625,000
Town of Port Hedland Dual Use Path and Light Budget	\$500,000
Total	\$1,775,000

Project Estimate Breakdown

Description	Value
Design Completion	\$60,000
Construction (Estimate)	\$1,714,587
Total Project Estimate	\$1,774,587

STRATEGIC SUSTAINABILITY IMPLICATIONS

Strategic Community Plan

The following sections of the Town’s *Strategic Community Plan 2022-2032* are applicable in the consideration of this item:

Our Community:

- 1.1.1 Stakeholders are engaged to develop a whole-of-town approach to increase access to quality health and wellbeing services.
- 1.1.2 Community needs and gaps in health provision are identified and delivered.
- 1.1.6 Town-wide health, safety, recreation and sporting activities and services are promoted.
- 1.3.3 Partnerships with industry and government to support events and activities are enhanced.
- 1.4.2 Facilities and community infrastructure are revitalised across the town

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

Active Transport Strategy 2023 - 2033

This project aligns with the objectives with the Town’s Active Transport Strategy.

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 4 – Quality of Service

Corporate Business Plan

The following services of the Town’s *Corporate Business Plan 2023-2027* apply in relation to this item:

Our Infrastructure Services:

Projects and Assets - Effective and efficient project and asset management
 Roads and Footpaths - Provide an effective road network through the construction, maintenance and renewal of sealed and unsealed local roads and associated infrastructure.

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Project
Risk Category	Financial
Cause	Concept alignment not endorsed by Council

Effect (Consequence)	<ul style="list-style-type: none"> • Delayed delivery • potential forfeit of WABN grant funding • Increased cost to Town
Risk Treatment	Continue to monitor adherence to the proposed delivery schedule
<p>There is a financial risk rating of Low (4), determined by a likelihood of Possible (3) and a consequence of Minor (2).</p> <p>Should Council not endorse the concept alignment for this project at the April 2024 Ordinary Council Meeting, this would lead to delays in the delivery of the project, creating a risk that the grant funding may be forfeited which would subsequently impact the project’s budget negatively.</p> <p>This risk will be lessened upon endorsement of the concept alignment to allow the project team to proceed to detailed design and subsequent contract award, in line with the grant funding milestones.</p>	

OPTIONS

- Option 1 – Adopt officer’s recommendation.
- Option 2 – Council may choose to endorse alternative concept alignments 1B or 2B.
- Option 3 – Do not adopt officer’s recommendation.

CONCLUSION

The Cooke Point Shared Footpath project presents an opportunity to significantly enhance connectivity and safety along Port Hedland's foreshore, addressing crucial gaps identified in the Pilbara Cycling Strategy and the Port Hedland Coastal Foreshore Management Plan. With community engagement and careful consideration of concept designs, the project aims to provide safe pedestrian and cyclist access, promote physical activity, and integrate the incomplete cycling network within the town.

Endorsement of the recommended concept alignments by Council is imperative to ensure timely delivery of the project and deliver tangible benefits to the community.

ATTACHMENTS

1. Footpath Allignment Options and Costings [**12.4.1.1** - 16 pages]
2. Design Feedback [**12.4.1.2** - 7 pages]

12.4.2	Spoilbank Marina Development - Landside Maintenance Arrangements
---------------	---

Author: **Manager Infrastructure Operations**

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.

OFFICER’S RECOMMENDATION

That Council:

1. Receives and notes correspondence dated 15 March 2024 from the Pilbara Ports Authority (PPA), titled “Spoilbank Marina Development – Landside Maintenance (JDAP Condition 18)”.

2. Authorises the Chief Executive Officer to negotiate legal instruments to enter into a revised agreement with the Pilbara Ports Authority relating to the terms and conditions of operational and commercial arrangements for landside maintenance operations at the Spoilbank Marina.

3. Notes the intention of the revised agreement with the Pilbara Ports Authority is for the Town of Port Hedland to assume responsibility for landside maintenance operations at the Spoilbank Marina following practical completion of the marina on or about September 2024. The revised agreement being subject of the following conditions:

(a) A review of the PPA and DoT approved maintenance schedule is undertaken to clearly identify, allocate and mutually agree to areas of responsibility for landside maintenance operations.

(b) Approval of additional funding within the 2024-2025 Infrastructure Operations operational budget for costs associated with the landside maintenance at the marina on a full cost recovery basis (from the Pilbara Ports Authority).

(c) Council endorsement of the release of Request for Tender (RFT) for the provision of landside maintenance services for a period of five (5) years commencing from, or as reasonably practicably near to, the practical completion of the Spoilbank Marina.

(d) Upon signing of the legal agreement and first payment of costs associated with the landside development, the Town will assume the role of “developer” as stated in JDAP Condition 18, and be responsible for clearance of that condition provided payments continue for the duration of the five (5) year period.

(e) In the event that a duly experienced and skilled service provider is not identified to support landside maintenance operations, Pilbara Ports Authority will retain responsibility for landside maintenance

operations until such time as the Town of Port Hedland is able to implement a suitable and mutually agreeable contingency operating plan.

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to consider a request by the Pilbara Ports Authority (PPA) for the Town to assume responsibility for condition 18 of the existing Joint Development Assessment Panel (JDAP) concerning the Spoilbank Marina development; and in so doing, to transfer landside maintenance operations responsibility to the Town of Port Hedland. The PPA will fully fund the maintenance operations for a period of five (5) years on full cost recovery model.

DETAIL

During 2020, the PPA was appointed the lead authority and proponent for the delivery of the Spoilbank Marina. The project was undertaken on behalf of the State of Western Australia and included the Town of Port Hedland as a project partner.

Consequential JDAP negotiations agreed to the PPA as the authority responsible for the ownership and operation of the marina. In addition, the PPA responsibilities included landside maintenance operations for five (5) years post completion. Specifically, condition 18 reads:

"18. The development shall be maintained by the developer to the minimum standards identified in the approved maintenance schedule plan for five (5) years following completion of the development, to the satisfaction of the Town of Port Hedland"

Construction of the marina has progressed substantially with the boat ramp commissioned and in active use. Landside construction is at this stage, scheduled to reach practical completion during September 2024.

During August 2023, the Western Australian Department of Transport (DoT), assumed ownership of the marina and will retain operational authority of the marina. The management of the landside was transferred to DOT as part of the transfer of operational responsibility from PPA.

On 15 March 2024, a formal request to modify JDAP condition 18 was received from the PPA (on behalf of DOT and attached for reference) with the PPA asserting that the Town of Port Hedland is better positioned to accept landside infrastructure maintenance operations as a part of the Town's core business.

The PPA seeks Town consideration of a revised agreement wherein:

1. The Town assumes responsibility for landside maintenance operations at the Marina immediately following practical completion being reached. At this stage, this is poised to occur during September 2024.
2. The PPA will commit to funding costs of landside maintenance for five (5) years from the date of practical completion. The funding is contingent on the Town providing a third-party Quantity Surveyor cost estimate for landside maintenance operations for mutual consideration and agreement.

3. The existing PPA contractor construction contract provides for a twelve (12) month defects liability period.

To preface considerations of the PPA submission, it should be noted that at this time, the Town has not undertaken Strategic Workforce Planning activities to support an unscheduled and early requirement to assume responsibility for marina landside maintenance operations. A staffing escalation has been planned to coincide with the acceptance of the marina landside maintenance operations in or about September 2029.

Accordingly, it is not proposed that the Town will self-perform the requested works; rather, a service tender will be released to retain an external services provider for five (5) years. Any subsequent contract will be serviced by 0.5 of a full-time employee of the Town and attract a fee for service and administration charge.

It is further proposed that commercial proposals received in support of the tender will supersede the accuracy of a quantity survey; and will more closely represent the costs of service to the PPA.

The responsibility for landside maintenance operations was ultimately to be transferred to the Town. The successful attraction and retention of a third-party service provider will determine the capacity of the Town to support this requirement. Prevailing staff shortages, existing operational commitments and the management of existing and newly commissioned assets prevent a self-performing model from being applied to this requirement.

It is therefore recommended that an in-principle agreement to the acceptance of landside maintenance operations is made subject of:

- A review of the PPA approved maintenance schedule being undertaken and clearly defined responsibilities mutually agreed upon by the Town and PPA.
- The development of a comprehensive scope of work that is applicable to the requirements of this request.
- An acceptance that all infrastructure that wholly or in part contacts ocean water is not considered as being a part of landside infrastructure.
- A quantity survey is replaced by the request for tender and the development of actual costs of service through consideration of tendered commercial proposals.
- Expressed acknowledgement by the PPA that if a third-party service provider to support landside maintenance operations prior to practical completion is not successful; the PPA will retain responsibility until such time as the Town can implement a contingency plan and approach.

Authority for the Chief Executive Officer to negotiate, vary and execute the applicable administrative and legal instruments to reach a mutually acceptable arrangement with the PPA is now sought.

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.

CONSULTATION

Internal

- Executive Leadership Team
- Director Infrastructure Services
- Manager Planning and Economic Development
- Coordinator Parks & Gardens

External Agencies

- Pilbara Ports Authority

Community

- The Marina Landside will become the premier public open space destination in Port Hedland. The landside must be maintained in line with Town standards and public expectation.

LEGISLATION AND POLICY CONSIDERATIONS

Strategic Workforce Plan

Long Term Financial Plan

Workplace Health and Safety

FINANCIAL AND RESOURCE IMPLICATIONS

Planning for financial and operational aspects of this requirement has been limited to the recognition of transitional requirements during 2029 or thereabouts. The Town is not positioned to include maintenance and operational services at the marina in existing work schedules due to staff shortages and the management of an existing and burgeoning workload.

The definitive scope of the work is yet to be determined and agreed upon by the Town and the PPA, however, it will be necessary to commit 0.5 of a full-time employee (Contract officer) to support the management of services. A corresponding administrative fee will also be allocated to the requirement, subject to negotiation.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Strategic Community Plan

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

Our Community:

1.1.4 Partnerships with stakeholders to deliver sport and recreation are enhanced.

1.4.1 The present and future facilities and requirements of the town are planned for and developed in-line with relevant facility standards and community needs.

1.4.3 Facilities and community infrastructure are well maintained, managed and fit-for-purpose to provide a range of lifestyle opportunities.

1.4.4 Community services and facilities are well promoted

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

Access and Inclusion

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

- Outcome 2 – Buildings and Facilities

Corporate Business Plan

The following services of the Town’s *Corporate Business Plan 2023-2027* apply in relation to this item:

Our Community Services:

Recreation Leisure Facilities and Programs - Provide and promote, with key stakeholders recreation and sporting activities for healthy lifestyles

Our Infrastructure Services:

Parks and Gardens - Manage parks, ovals and open space (natural reserves)

Maintain tidy and attractive townsites and centres.

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Service Interruption
Cause	A failure to maintain the asset to a standard that provides for continuous community use.
Effect (Consequence)	Reputational Operational contingency failure Asset outage
Risk Treatment	External contractor support
<p>There is a Operational, risk associated with this item caused by a failure to maintain continuous operations, leading to diminished serviceability for community. The risk rating is considered to be Medium (6) which is determined by a likelihood of Possible (3) and a consequence of Moderate (3).</p> <p>This risk will be mitigated by the placement of a suitably qualified, skilled and experienced service provider.</p>	

OPTIONS

Option 1 – Adopt officer’s recommendation

Option 2 – Amend officer’s recommendation

Option 3 – Do not adopt officer’s recommendation

CONCLUSION

The spoilbank marina and corresponding infrastructure will form a significant community asset that will provide for outdoor entertainment, social gatherings and general public use. The maintenance of the landside operations forms a critical component of the site functionality. The PPA request for early maintenance responsibility for landside operations to be transferred to the Town has not been planned for but features in forward planning for 2029. The Town will seek to develop a third-party contract solution for maintenance requirements with associated costs being met by the PPA.

ATTACHMENTS

1. Spoilbank Marina Development - Landside Maintenance (JDAP Condition 18)_
Redacted Redacted [**12.4.2.1** - 2 pages]

12.5 Executive Services

12.5.1	Adoption of the 2022/23 Annual Report and Setting the Date of the Annual General Meeting of Electors
---------------	---

Author: **Manager Public Affairs**
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.

OFFICER’S RECOMMENDATION

- 1. That Council adopts the 2022-23 Annual Report (including the audited Annual Financial Statements and Associated Notes 2022-23) as per Attachment 1 in accordance with section 5.53 of the *Local Government Act 1995*.**
- 2. That Council convenes the Annual General Meeting of Electors at 5:30pm 15 May 2024 in Council Chambers in the Civic Centre.**
- 3. That Council advertises the Annual General Meeting of Electors giving at least 14 days local public notice in accordance with section 5.29 of the *Local Government Act 1995*.**
- 4. That Council advertises the availability of the 2022-23 Annual Report in accordance with section 5.55 of the Local Government Act 1995.**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to consider the adoption of the 2022-23 Annual Report and confirm the date of the Annual General Meeting of Electors.

DETAIL

The *Local Government Act 1995* (the Act) requires local governments to prepare an Annual Report for each financial year.

The process for adopting the Annual Report is as follows:

1. On Monday 15 April the Audit, Risk and Compliance Committee considered the Audited Annual Financial Report, Auditor’s Closing Report and Management Letter for the 2022-23 year.
2. Council is to adopt the Annual Report, inclusive of the Annual Financial Statements.
3. The Annual Report forms the main item of business to be discussed at the Annual General Meeting of Electors.

The Town of Port Hedland 2022-23 Annual Report has been developed in alignment with reporting requirements set out in the Act, with further comprehensive reporting on the Town's performance against the Strategic Community Plan 2022-32.

Key highlights and achievements, as noted in the 2022-23 Annual Report are:

- Adoption of the 2022-32 Strategic Community Plan, revised Long-Term Financial Plan and commencing a refresh of the Corporate Business Plan.
- Adopting our first Environmental Sustainability Strategy and entering into a partnership with Care for Hedland.
- Achieving a 25% reduction in the number of reported health and safety incidents.
- Transitioning to the State Industrial Relationship System on 1 January 2023 and renegotiating its Industrial Agreement.
- Completing major capital projects including the South Hedland Skatepark shade structure, JD Hardie shaded basketball courts and opening Milpaku Kuma – Port Hedland Community Centre.
- Launching the inaugural Odyssey music festival as part of our annual calendar of 16 community events.
- Progressing more than \$350 million of development applications.
- Strong usage of community facilities including close to 40,000 visits to our libraries and almost 150,000 visits to Wanagkura Stadium.
- Maintaining a strong financial position with cash and investments totalling slightly over \$180 million against total liabilities of \$88 million.
- National and State recognition through various awards including:
 - o 2022 WA Coastal Awards for Excellence – WA Government – Department of Planning, Lands and Heritage – Coastal Management and Adaptation.
 - o 2022 WorkSafe Plan Gold Certificate of Achievement.
 - o 2023 Australian Institute of Landscape Architects Awards – Coastal Foreshore Management Plan.
 - o 2023 Master Builders WA Kimberley-Pilbara Building Awards – South Hedland Skatepark shade structure.
 - o 2023 Parks and Leisure Australia Award – South Hedland Youth Placemaking Program.
 - o 2023 AUSactive Awards – Senior Adults Living Triumphantly.
 - o 2023 Leisure Institute of WA/Aquatic Recreation Industry.

The Town is required to host the Annual General Meeting of Electors within 56 days (8 weeks) of the Annual Report being adopted by the Council – therefore the Annual General Meeting of Electors must be held before 19 June 2024.

The suggested date for the Annual General Meeting of Electors is Monday 15 May 2024. An alternate date is Monday 20 May 2024.

LEVEL OF SIGNIFICANCE

In accordance with Policy 4/009 'Significant Decision Making', this matter is considered to be of medium significance, because it is a statutory document which outlines the Town's activities and highlights for the 2022-23 financial year.

CONSULTATION*Internal*

- All Directors, Managers and relevant Officers were consulted during the development of the 2022-23 Annual Report.

External Agencies

- Office of the Auditor General (contract auditor RSM).

LEGISLATION AND POLICY CONSIDERATIONS

Section 5.27 of the Local Government Act 1995 sets out the requirements for an elector's general meeting to be held once every financial year and this meeting must be held within 56 days of the Annual Report being accepted by Council.

Ordinary Council Meeting Agenda 14 December 2022 Item 12.5.1 Page 76 Regulation 15 of the Local Government (Administration) Regulations 1996 details the matters for discussion at the Annual General Meeting of Electors.

They include the contents of the Annual Report for the previous financial year and then any other general business. Section 5.29 of the Local Government Act 1995 requires for a local public notice to be given stating details of the Annual General Meeting of Electors.

Section 5.53 of the Local Government Act 1995 provides for the Annual Reports to contain certain provisions which have been included in the Town's 2019/20 Annual Report.

Section 5.55 of the Local Government Act 1995 states that the Chief Executive Officer is to give local public notice of the availability of the Annual Report as soon as practicable after the report has been accepted by the local government.

There are no Town policies to consider in relation to this item.

FINANCE AND RESOURCE IMPLICATIONS

- Limited copies of the 2021/22 Annual Report will be printed. The costs associated with printing have been accounted for in the 2022/23 budget.

STRATEGIC SUSTAINABILITY IMPLICATIONSStrategic Community Plan 2022-32

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

- 1.b.1 Newcomers to Port Hedland are provided with inductions, information and opportunities to engage and get involved
- 1.b.2 A residential workforce is promoted to industry as the preferred option

- 1.b.3 Forums and activities to give a voice to youth, people with a disability, ageing, Aboriginal and Torres Strait Islander, and Culturally and Linguistically Diverse people are recognised and supported
- 1.b.4 Regular opportunities for the broad community to have input into the Town of Port Hedland plans and programs are provided for transparency, accountability and two-way interaction
- 1.b.5 Opportunities to get involved and results of engagement are regularly promoted
- 4.b.1 Sound long-term financial planning is implemented
- 4.b.2 Transparent and regular financial reporting and communication to the community is undertaken
- 4.b.3 Transparent and regular governance reporting and communication to the community is undertaken
- 4.b.4 Constructive forums are provided for discussion and the representation of the diversity of views and needs that impact on the Town’s developments, programs and policies
- 4.c.1 High quality and responsive customer service is provided
- 4.c.2 Community members, business and tourists are engaged to provide feedback about local facilities and services
- 4.c.3 Innovative marketing to attract amenity usage is implemented
- 4.c.4 Efficiency strategies across the Town’s infrastructure and amenity assets are implemented

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

Disability Access and Inclusion Plan

The following outcomes of the Town’s Disability Access and Inclusion Plan 2017-2022 apply in relation to this item:

- Outcome 1 – Services and Events
- Outcome 2 – Buildings and Facilities
- Outcome 3 – Information
- Outcome 4 – Quality of Service
- Outcome 5 – Complaints
- Outcome 6 - Consultation Process
- Outcome 7 - Employment

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Operational
Risk Category	Compliance, Reputation
Cause	Not preparing and making available an Annual Report as per the Local Government Act 1995.

Effect (Consequence)	Non-compliance, impact on stakeholder trust and media coverage
Risk Treatment	Adopting a well-informed and reviewed Annual Report.
<p>There is an Operational risk associated with this item caused by not adopting the Annual Report 2022-23. The risk rating is considered to be Medium (4) which is determined by a likelihood of Possible (3) and a consequence of Minor (2). This risk will be reduced by adopting the Annual Report.</p>	

OPTIONS

Option 1 – Adopt officer’s recommendation

Option 2 – Do not adopt officer’s recommendation

CONCLUSION

This report provides an overview of the development of the Town of Port Hedland 2022-23 Annual Report, including key highlights and achievements.

The Annual Report will be the key point of discussion during the Annual Electors Meeting to be held no later than 56 days following Council’s adoption of the Annual Report.

ATTACHMENTS

1. 43586 TOPH Town of Port Hedland Annual Report 2022-23 D 4 [**12.5.1.1** - 70 pages]

12.5.2	Response to the Department of Local Government, Sport and Cultural Industries
---------------	--

Author: **Manager Governance**
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.

OFFICER’S RECOMMENDATION

That Council:

- 1. Receive the letter from the Department of Local Government, Sport and Cultural Industries dated 14 March 2024 (attachment 1); and**
- 2. Agree to develop an improvement plan outlined in the letter for endorsement at the July 31, 2024 Ordinary Meeting of Council.**

SIMPLE MAJORITY VOTE REQUIRED

PURPOSE

The purpose of this report is for Council to consider the letter received from the Department of Local Government, Sport and Cultural Industries (DLGSC) dated 14 March 2024 (the letter) and agree to develop an improvement plan that addresses the matters of concern detailed within the letter.

DETAIL

The Town hosted representatives from DLGSC on 6-7 February 2024 and meetings were held with the Town’s Executive Leadership Team, individual councillors and the Council.

The Town received a letter from DLGSC outlining issues of concern arising from those meetings, which may have a detrimental impact on the Town’s delivery of effective local government for the Port Hedland community.

The Town wrote to DLGSC seeking a one-month extension to respond to the letter and this was granted (attachment 2).

The Town is required to develop an improvement plan to address the identified issues and a timeline for its implementation. The improvement plan will be developed and presented to the Council for endorsement by the 31 July 2024 Ordinary Meeting of Council.

The Town has taken proactive measures in response to governance and leadership issues raised and a range of external professional development workshops and training opportunities have been facilitated with the Council, including:

- Two Councillor Leadership Workshops,

- Councillor and Executive Joint Leadership Workshop,
- Councillor Code of Conduct Training,
- Newly elected Councillor Induction,
- Standing Orders Local Law Training, and
- Councillor Community Engagement Training.

These actions will continue and be formalised in the improvement plan, subject to the Council's collaboration and agreement.

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

- Executive Leadership Team

External Agencies

- Department of Local Government, Sport and Cultural Industries

Community

- Nil

LEGISLATION AND POLICY CONSIDERATIONS

Work Health and Safety Act 2020

Local Government Act 1995

Section 2.7 - Role of Council

Section 2.8 - Role of Mayor

Section 2.9 - Role of Deputy Mayor

Section 2.10 - Role of Councillors

Section 5.41 - Functions of the CEO

Local Government (Model Code of Conduct) Regulations 2021

FINANCIAL AND RESOURCE IMPLICATIONS

Sufficient money available in current 2023/24 Budget.

STRATEGIC SUSTAINABILITY IMPLICATIONS

Strategic Community Plan

The following section of the Town’s *Strategic Community Plan 2022-2032* is applicable in the consideration of this item:

Our Leadership:

4.2.3 Transparent and regular governance reporting and communication to the community is undertaken.

Effective leadership impacts all aspects of Town decision making with environmental, social or economic impacts.

Access and Inclusion

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

Nil

Corporate Business Plan

The following service of the Town’s *Corporate Business Plan 2023-2027* apply in relation to this item:

Our Corporate Services:

Governance and Procurement - Provide high standards of governance and leadership.

RISK MANAGEMENT CONSIDERATIONS

Risk Type	Strategic
Risk Category	Compliance Reputational
Cause	Failure to respond to DLGSC direction.
Effect (Consequence)	Non-compliance with DLGSC direction may result in further intervention or suspension of the local government with associated reputational impacts.
Risk Treatment	Accept the officer’s recommendation and contribute to the development and implementation of improvement plan.
<p>There is a Strategic, risk associated with this item caused by a failure of the Council to accept the direction of DLGSC outlined in the letter leading to further action by DLGSC as the industry regulator.</p> <p>The risk rating is considered to be High (16) which is determined by a likelihood of Likely (4) and a consequence of Major (4).</p> <p>This risk will be mitigated by accepting the DLGSC letter and agreeing to develop and implement an improvement plan.</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 confirms receipt of the letter from DLGSC and commits the Council to develop an improvement plan and timeline to address the issues outlined within.

ATTACHMENTS

1. E 24018195 Letter from DLGSC to Town of Port Hedland re meeting and governance concerns [**12.5.2.1** - 3 pages]
2. E 24046856 Letter from DLGSC to Town of Port Hedland re extension request for improvement plan resp [**12.5.2.2** - 1 page]

13 New Business of an Urgent Nature (Late Items)

Nil

14 Motions of Which Previous Notice has been given**14.1 Deputy Mayor Ash Christensen**

I, Ash Christensen, provide notice of intent to move the following motion at the 24 April 2024 Ordinary Council Meeting, in the Town of Port Hedland Standing Orders.

INTENDED MOTION**That Council:**

1. Note the Audit, Risk and Compliance Committee amended Terms of Reference have been presented to the Audit, Risk and Compliance Committee on 28 November 2023, 12 March 2024 and 15 April 2024; and

2. Request the CEO present the amended Audit, Risk and Compliance Committee Terms of Reference to the 29 May 2024 Ordinary Council Meeting.

SIMPLE MAJORITY VOTE REQUIRED

Officer Comment:

A Councillor may move a motion of which previous notice has been given under clause 5.4 *Standing Orders Local Law 2014* and the Council may resolve to support the motion.

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

PROCEDURAL MOTION

That Council close the meeting to members of the public as prescribed in section 5.23(2) of the Local Government Act 1995, to consider item 15.1.

SIMPLE MAJORITY VOTE REQUIRED

15.1	Purchase of Property for Staff Housing
-------------	---

Confidentiality Reasons: c. a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting

16 Closure

16.1 Date of Next Meeting

The next Ordinary Meeting of Council will be held on Wednesday, 29th May 2024 commencing at 5:30 pm.

16.2 Closure

There being no further business, the Presiding Member will declare the meeting closed.