

AUDIT COMMITTEE MEETING

AGENDA



For the Audit Committee Meeting to be held on

19 March 2025

Dear Audit Committee Member,

The next Audit Committee Meeting of the Shire of Cranbrook will be held on Wednesday 19 March 2025 at the Cranbrook Council Chambers commencing at 2.30pm.

A handwritten signature in blue ink that reads 'L Gray'.

Linda Gray
Chief Executive Officer

DISCLAIMER

This agenda has yet to be dealt with by the Audit Committee. The recommendations shown at the foot of each item have yet to be considered by the Audit Committee and are not to be interpreted as being the position of the Audit Committee. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Audit Committee.

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Defamation – cl 14K Local Government (Administration) Regulations 1996

- (1) A local government is not liable to an action for defamation in relation to any of the following done by the local government as required or authorised under this Part —
- (a) publicly broadcasting a meeting;
 - (b) making a recording of a meeting;
 - (c) making a recording of a meeting publicly available;
 - (d) retaining a recording of a meeting or a copy of a recording;
 - (e) providing a copy of a recording of a meeting to the Departmental CEO.

Scope of Committee

An audit committee has the following functions —

- (a) to guide and assist the local government in carrying out —
 - (i) its functions under Part 6 of the Act; and
 - (ii) its functions relating to other audits and other matters related to financial management;
- (b) to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;
- (c) to review a report given to it by the CEO under regulation 17(3) (the **CEO's report**) and is to —
 - (i) report to the council the results of that review; and
 - (ii) give a copy of the CEO's report to the council;
- (d) to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —
 - (i) regulation 17(1); and
 - (ii) the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c);
- (e) to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;
- (f) to oversee the implementation of any action that the local government —
 - (i) is required to take by section 7.12A(3); and
 - (ii) has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - (iii) has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - (iv) has accepted should be taken following receipt of a report of a review conducted under the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c);
- (g) to perform any other function conferred on the audit committee by these regulations or another written law.

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AGENDA

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chairperson, Cr Johnson will declare the meeting open at _____pm. The Chairperson will alert the meeting to the procedures for emergencies including evacuation, designated exits and muster points.

2. ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE

2.1 ATTENDANCE

Chairperson

Cr RW (Robert) Johnson

Councillors

Cr P (Peter) Denton

Cr JA (Jen) Quick

Cr LM (Lee) Casson

Cr P (Perin) Mulcahy

Cr DM (Daisy) Egerton-Warburton

Cr G (George) Pollard

Chief Executive Officer

Ms LA (Linda) Gray

Manager of Finance

Mrs DE (Diana) Marsh

Acting Manager of Works

Mrs S (Stevie) Egerton-Warburton

Executive Officer

Ms JL (Jo) Scott

Members of the Public

2.2 APOLOGIES

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

3.1 AUDIT COMMITTEE MEETING – 11 December 2024

That the minutes from the Audit Committee Meeting held on 11 December 2024, be confirmed as a true and correct record.

4. GENERAL BUSINESS

4.1 COMPLIANCE AUDIT RETURN - 2024

RESPONSIBLE OFFICER:	Linda Gray – Chief Executive Officer
REPORT AUTHOR:	Jodi Masson – Senior Finance Officer
FILE REFERENCE:	AD5
APPLICANT:	N/A
DATE OF REPORT:	7 March 2025
ATTACHMENTS:	2024 Compliance Audit Return

Purpose

The purpose of this report is for the Audit Committee to consider the Compliance Audit Return (CAR) for the 2024 calendar year as required by the Local Government (Audit) Regulations 1996.

Background

The Compliance Audit Report (CAR) is an essential tool for the Council to assess and monitor the effectiveness of its operations. In accordance with the Local Government (Audit) Regulations 1996, all local Governments are required to conduct a compliance audit for the period 1 January – 31 December 2024.

For the 2024 CAR, the audit was completed by an internal staff member, whereas the 2023 CAR was carried out by an external consultant, with the support from the Chief Executive Officer, Ms Linda Gray. This variation in the approach to the assessment allows for a broader and more independent analysis of the organisation’s compliance. By changing the individual or team conducting the assessment each year, the Council ensures a more objective evaluation of its controls and overall compliance.

Officer’s Comment

The CAR currently focuses on areas of compliance deemed high risk. The Audit Committee is tasked with reviewing the CAR and presenting the results of that review to Council for approval before it is formally adopted. Following the Council’s adoption, a certified copy of the CAR, along with the relevant section of the minutes and any additional supporting information or clarifications, must be submitted to the Executive Director of the Department of Local Government, Sport, and Cultural Industries by 31 March 2025.

Attached is the Compliance Audit Return for this year, which reflects a nil finding, resulting in a score of 0/94. It is important to highlight that the Shire completed a single tender process during the 2024 reporting period, which has been reviewed in the CAR.

Commercial Enterprises by LG	0 out of 5
Delegations of Power/Duty	0 out of 13
Disclosure of Interest	0 out of 21
Disposal of Property	0 out of 2
Elections	0 out of 3
Finance	0 out of 7
Integrated Planning and Reporting	0 out of 3
LG Employees	0 out of 5
Official Conduct	0 out of 4
Optional Questions	0 out of 9
Tenders	0 out of 22

Statutory Environment

The Local Government (Audit) regulations define the process and requirements for the compliance audit return.

Policy Applicable – Implications

There is no Council policy applicable to this report.

Financial Implications

There are no financial implications for this report.

Risk Implications

The risks associated with matters in this report are:

- Failure to fulfil Statutory, Regulatory or Compliance Requirements

The **impact** of the risk is Non-Compliance

The **consequences** of these risks are considered to be Insignificant

The **likelihood** is Rare, hence the **risk rating** for this item is Low

Risk mitigation involves ensuring the timely completion of the CAR each year, promptly addressing any identified errors, and implementing processes to sustain these corrections. Additionally, engaging a consultant periodically provides an opportunity for an external review, offering fresh insights into the process.

Strategic Community Plan Reference

The 2021-2031 Shire of Cranbrook, Strategic Community Plan states that:

Outcome 16 – High Performing Shire: An accountable and respected Shire, investing in its people and structures.

Deliverable 16.1: A Shire and supporting entities are well-governed with delineated roles and accountabilities.

Consultation

Ms Jo Scott, Executive Officer

Mrs Stevie Egerton-Warburton, Acting Manager of Works

Mrs Jodi Masson, Senior Finance Officer

Ms Linda Gray, Chief Executive Officer

Voting Requirements

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit Committee recommends to the Council that the Shire of Cranbrook's Compliance Audit Return for the period 1 January to 31 December 2024, as attached, be adopted.

4.2	POLICY REVIEW – POLICY 2.19 WORKFORCE – DRUG AND ALCOHOL
RESPONSIBLE OFFICER:	Linda Gray – Chief Executive Officer
REPORT AUTHOR:	Linda Gray – Chief Executive Officer
FILE REFERENCE:	File Number
APPLICANT:	N/A
DATE OF REPORT:	10 March 2025
ATTACHMENTS:	Policy 2.19 Workforce - Drug and Alcohol

Purpose

The purpose of this report is for the Audit Committee to approve the amendment of Policy 2.19 Workforce – Drug and Alcohol to include clarification on the identification of a potential drug and alcohol policy breach.

Background

The Shire of Cranbrook’s drug and alcohol policy includes smoking in the workplace. It is designed to promote a safe, healthy and productive workplace by addressing the potential challenges and risks associated with drug and alcohol use.

Officer’s Comment

As we know substance misuse can lead to impaired judgment, increased risk of accidents, and decreased efficiency. By setting clear guidelines, the Shire can mitigate these risks, uphold its duty of care towards its employees, and maintain its reputation. The policy includes the use of prescribed drugs by employees based on the same standard that employees must be able to work safely and competently. As part of ensuring a working environment free from the effects of alcohol and other drug use, it is necessary for the Shire to reserve the right to randomly conduct drug and alcohol testing of employees across the Shire’s organisation at all levels at any time.

It was identified by Mills Oakley recently that having “non-active metabolites” in an employee’s system even after the parent drug has left, is considered a positive test and can be regarded as a breach of a Shire’s Drug and Alcohol Policy and can result in termination.

The addition to the Shire of Cranbrook’s drug and alcohol policy is that:

There is no accurate way to determine impairment, testing is based on the presence of drugs and alcohol in the employee’s system. Therefore, a test that identifies “non-active metabolites” will be regarded as a positive test - even after the parent drug has left the employee’s system. Similarly, testing for alcohol is not just testing for actual intoxication but the risks associated with the hangover effects of alcohol. Therefore, a positive test based on the above will be regarded as a breach of this policy.

Statutory Environment

Work Health and Safety Act 2020

Policy Applicable – Implications

Policy 2.19 Workforce – Drug and Alcohol

Financial Implications

There are no financial implications for this report.

Risk Implications

The risks associated with matters in this report are:

- Misconduct
- Failure to fulfil Statutory, Regulatory or Compliance Requirements

The **impacts** of the risk are: Non-Compliance, Reputational, Property,

The **consequences** of these risks are considered to be: Minor

The **likelihood** is: Unlikely

Hence the **risk rating** for this report is: Low

Strategic Community Plan Reference

The 2021-2031 Shire of Cranbrook, Strategic Community Plan states that:

Key Pillar: Connect

Outcome 16 – High Performing Shire: An accountable and respected Shire, investing in its people and structures.

Deliverable 16.1: A Shire and supporting entities are well-governed with delineated roles and accountabilities.

Consultation

No consultation was required for this report.

Voting Requirements

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit Committee recommends that Council approve the amendments of Policy 2.19 Workforce – Drug and Alcohol to include additional detail on what is regarded as a “positive alcohol and drug test” and which could result in a breach of this policy.

4.3	POLICY REVIEW – POLICY 5.1 WORKS – ROAD MATERIAL ACQUISITION – GRAVEL AND SAND – ADDITION OF WATER
RESPONSIBLE OFFICER:	Linda Gray – Chief Executive Officer
REPORT AUTHOR:	Stevie Egerton-Warburton – A/Manager of Works
FILE REFERENCE:	GO17
APPLICANT:	N/A
DATE OF REPORT:	12 March 2025
ATTACHMENTS:	Draft Revised Policy 5.1 Works – Road Material Acquisition – Gravel, Sand and Water

Purpose

The purpose of this report is for the Audit Committee to approve the revision of Policy 5.1 Works – Road Material Acquisition – Gravel and Sand to include Water.

Background

Water is a fundamental part of road contraction and maintenance. The Shire of Cranbrook is looking of ways to reduce costs associated with water carting for capital works and road maintenance, while providing fair compensation to farmers for the extraction of suitable water from local dams, benefiting both road projects and the agricultural community.

Officer’s Comment

It would be appropriate to incorporate water into the existing road material acquisition policy, as securing reliable water resources is equally essential as gravel for future road projects. This addition would also support the development of alternative access locations beyond our townsite standpipes, ultimately reducing costs and enhancing efficiency.

Statutory Environment

Local Government Act 1995
Main Roads Standards and Guidelines

Policy Applicable – Implications

5.1 Works – Road Material Acquisition – Gravel and Sand

Financial Implications

There are no financial implications for this report..

Risk Implications

The risks associated with matters in this report are:

- Failure to fulfil Statutory, Regulatory or Compliance Requirements
- Inadequate Asset Sustainability Practices
- Inadequate Supplier/Contract Management

The **impacts** of the risk are: Financial, Service Interruption and Non-Compliance

The **consequences** of these risks are considered to be: Insignificant and Minor

The **likelihood** is Unlikely

Hence the **risk rating** for this report is: Low

Risk mitigation includes material testing to ensure quality and compliance with Main Roads WA material specifications. Ensure that procurement policy is followed and correct document control and record keeping is undertaken.

Strategic Community Plan Reference

The 2021-2031 Shire of Cranbrook, Strategic Community Plan states that:

Key Pillar: Live

Outcome 2 - Utilities: A strong base for modern living with adequate amenities such as water, energy, roads and digital.

Deliverable 2.1: A solution to water access which has enabled further economic success.

Consultation

N/A

Voting Requirements

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit Committee recommends to the Council to approve the revision of Policy 5.1 Works – Road Material Acquisition – Gravel and Sand to acquisition of water.

4.4 POLICY REVIEW – POLICY 6.0 BUSHFIRE CONTROL

RESPONSIBLE OFFICER: Linda Gray – Chief Executive Officer
REPORT AUTHOR: Jo Scott – Executive Officer
FILE REFERENCE: GO17
APPLICANT: N/A
DATE OF REPORT: 12 March 2025
ATTACHMENTS: Updated Policy 6.0 – Emergency Services Bushfire Control

Purpose

The purpose of this report is for the Audit Committee to consider adopting the reviewed and amended policy, Policy 6.0 – Emergency Services Bushfire Control.

Background

The objective of this policy is to reduce the risk of bushfire, to clearly articulate the legislative requirements for bushfire management, and to set operational guidelines for bushfire management. Whilst the Chief Bushfire Control Officer (CBFCO) be authorised to exercise all the powers conferred under the *Bush Fires Act 1954* on behalf of the Shire of Cranbrook, the Shire of Cranbrook is constantly looking at additional measures that support the CBFCO and mitigate the risk of bush fires in the Shire.

Officer’s Comment

For that reason, the following additions to the policy have been made:

Under Section 2 Annual Firebreak Notice:

To ensure compliance with the Firebreak Notice, the Shire has implemented an inspection of both townsites and rural land (approximately 400 rural properties) based on a three year cycle as follows:

2024/25 Financial Year	Cranbrook, Frankland River & Tenterden townsites and 25% of all rural properties in the Shire of Cranbrook
2025/26 Financial Year	Cranbrook, Frankland River & Tenterden townsites and 10% of all rural properties in the Shire of Cranbrook
2026/27 Financial Year	All rural properties that have not met the standard of Building Protection Zone (BPZ) in the previous year & Cranbrook, Frankland River & Tenterden

Under Section 26 Spontaneous Volunteers:

Spontaneous volunteers are individuals who volunteer during emergencies and disasters without pre-registration or compensation. They assist with various tasks such as search and rescue, first aid, distributing food and water, and cleaning debris. The Shire of Cranbrook does not allow spontaneous volunteers to participate outside of the Local Emergency Management Agreement, nor be operational in an emergency such as a bush fire.

Under **ROLES AND RESPONSIBILITIES** the role and responsibilities of the Community Emergency Services Manager have been expanded to include the description from the CESM Business Plan/Position Description as follows:

Efficiently and professionally plan, develop, implement, manage and review community emergency services within the Shire of Cranbrook encompassing the areas of prevention, preparedness, response and recovery and special projects are required;

Statutory Environment

Bush Fires Act 1954

Shire of Cranbrook Annual Firebreak Notice

Policy Applicable – Implications

Council Policy 6.0 – Emergency Services Bushfire Control.

Financial Implications

There are no financial implications for this report.

Risk Implications

The risks associated with matters in this report are:

- Errors, Omissions and Delays
- Failure to fulfil Statutory, Regulatory or Compliance Requirements

The **impacts** of the risk are: Non-Compliance,

The **consequences** of these risks are considered to be: Insignificant

The **likelihood** is: Rare

Hence the **risk rating** for this report is: Low

Risk mitigation includes ensuring Council policies are reviewed and updated as necessary to keep up to date with changing legislation, policies and procedures.

Strategic Community Plan Reference

The 2021-2031 Shire of Cranbrook, Strategic Community Plan states that:

Key Pillar: Live

Outcome 1 - Community: A safe and friendly community that is well-known for support, which can be defined with a measurement of 'proud'.

Deliverable 1.1: A community and enterprise safety and security system.

Deliverable 1.2: A culture-enhancement program where all community members are proud of living in and around our region.

Outcome 16 – High Performing Shire: An accountable and respected Shire, investing in its people and structures.

Deliverable 16.1: A Shire and supporting entities are well-governed with delineated roles and accountabilities.

Consultation

Consultation for this report included the Chief Executive Officer and Shire's Community Emergency Services Manager.

Voting Requirements

Simple Majority

OFFICER'S RECOMMENDATION

The Audit Committee recommend that Council adopt the reviewed and amended Policy 6.0 – Emergency Services Bushfire Control, as attached.

4.5	NEW POLICY 5.5 WORKS – URBAN AND RURAL CROSSOVERS AND AMENDED POLICY 5.0 WORKS – ROAD MANAGEMENT
RESPONSIBLE OFFICER:	Linda Gray – Chief Executive Officer
REPORT AUTHOR:	Stevie Egerton-Warburton – A/Manager of Works
FILE REFERENCE:	GO17
APPLICANT:	N/A
DATE OF REPORT:	12 March 2025
ATTACHMENTS:	1. Revised Policy 5.0 Works – Road Management 2. New Policy 5.5 Works – Urban and Rural Crossovers

Purpose

The purpose of this report is for the Audit Committee to consider adopting the attached new Policy 5.5 Works – Urban and Rural Crossovers, and approving amendments to existing Policy 5.0 Works – Road Management.

Background

Currently, crossovers are regulated under Policy 5.0 – Works: Road Management. However, recent applications for new crossover approvals have highlighted the need for a standalone policy that addresses both urban and rural requirements.

Officer’s Comment

The Shire also aims to improve budgeting for crossover subsidies by capping contributions, streamlining the approval process, and ensuring that all crossovers within the road reserve meet minimum construction standards.

Currently there is no formal process and crossover approvals are worked through on a case by case basis, taking up officer time. This Policy will ensure that construction of crossovers are assessed against a minimum standard set by the Shire in accordance with industry standards.

Amendments made to Policy 5.0 Road Management consist of the removal of point 5. Crossovers (Property Entrance), no other amendments have been made.

Statutory Environment

Local Government Act 1995
Main Roads Standards and Guidelines
Austroads Guide to Road Design

Policy Applicable – Implications

This report is recommending adoption of a new Council Policy and subsequent changes to 5.0 Works – Road Management.

Financial Implications

There are no additional financial implications for this report.

Risk Implications

The risks associated with matters in this report are:

- Business and Community Disruption
- Failure to fulfil Statutory, Regulatory or Compliance Requirements

The **impacts** of the risk are: Service Interruption, Non-Compliance, Property and Natural Environment

The **consequences** of these risks are considered to be: Minor

The **likelihood** is: Unlikely

Hence the **risk rating** for this report is: Low

Risk mitigation included referencing relevant industry standards.

Strategic Community Plan Reference

The 2021-2031 Shire of Cranbrook, Strategic Community Plan states that:

There is no reference to this report in the Council's Strategic Community Plan.

Consultation

Consultation for this report included other Local Governments, EMT and Council.

Voting Requirements

Absolute Majority

OFFICER'S RECOMMENDATION

That;

- 1. the Audit Committee recommend that Council approve the revision of Policy 5.0 Works – Road Management to exclude point 5. Crossovers (Property Entrance); and**
- 2. the Audit Committee recommend that Council adopt New Policy 5.5 Works – Urban and Rural Crossovers, as attached.**

4.6	POLICY MANUAL REVIEW
RESPONSIBLE OFFICER:	Linda Gray – Chief Executive Officer
REPORT AUTHOR:	Jo Scott – Executive Officer
FILE REFERENCE:	GO17
APPLICANT:	Nil
DATE OF REPORT:	11 March 2025
ATTACHMENTS:	Policy Manual – with track changes

Purpose

The purpose of this report is for the Audit Committee to consider the adoption of the revised Policy Manual.

Background

Under Section 2.7(2b) of the *Local Government Act 1995* (the Act), the Council is to determine the Local Government's policies. Each year the Policy Manual is presented to Council for review with minor amendments. Where amendments are significant, or the policy is new then the policy will be included as an individual agenda item. These policies will guide the decision-making and actions of the Council, Executive Management Team and staff throughout the year.

Officer's Comment

The Executive Management Team and staff have reviewed the current policy manual and as a result some amendments and improvements to existing policies are recommended this year, to reflect current practice, staff titles and to align better with legislation.

Some policy changes are minor with either spelling, grammar, wording or updated legislation to reflect what is already stated in the existing policy. The following list includes a summary of noteworthy amendments made:

GOVERNANCE:

- **Policy 1.1 Meetings of Council** – Included legislation regarding Electors Special Meetings. **Minutes of Council and Committee Meetings and Audio Recording** – Local Government Reforms now require Band 4 Local Governments to audio record the proceedings of Council and Committee meetings and make publicly available.
Updated the following sections to amend wording or sections of legislations referenced; **Notice of Change** – requirements for website notice rather than Local Public Notice. **Documents of Meeting** – Updated the heading to match legislation for clarity. Expanded on the procedure Elected Members should follow when applying for a leave of absence.
- **Policy 1.2 Committees of Council** – Updated the scope of an audit committee with relevant legislation.
- **Policy 1.8 Risk Management** – Updated reference to the newest version of ISO Standards.
- **Policy 1.12 Gifts, Benefits, Hospitality, Attendance at Events** – Including trainings in the **Purpose**. Addition of bullet points 13 and 14 in the **principles** to outline disclosure of gifts requirements and register of gifts to be published on the Shire's website in accordance with the Local Government Act 1995.
- **Policy 1.14 Complaints Handling** - Include newly relevant or amended procedure forms.
- **Policy 1.16 Employee Gratuity Payments** - Inclusion of gratuity payments for continuous service to employees, with definitions, amounts and tax responsibility.

WORKFORCE:

- **Policy 2.0 Employee - Recruitment and Selection** – Removed the selection panel table and replaced with a dot point referencing the persons that would comprise a selection panel.
- **Policy 2.25 Working from Home** – Addition of minimum frequency to monitor, review or amend WFH agreements.
- **Policy 2.7 Professional Development and Training** – Increase to the meal allowance available to employees attending training, from \$95 per day to \$100 per day. Removed reference to ‘Senior Employees’ replaced with ‘Managers’.
- **Policy 2.8 Leave – Management of Annual and Long Service** – Inclusion of relevant procedure forms associated with leave approval.
- **Policy 2.9 – Fair Work Reference....**
- **Policy 2.13 – Shire Vehicles – Use Arrangement** – Removed ‘Senior Employee’ reference and replaced with ‘Managers’ where appropriate. Generalised the reference to participating Local Governments that comprised the CSM MOU.
- **Policy 2.16 – Work Health and Safety** – Scope expanded to include contractors and visitors.
- **Policy 2.19 Drug and Alcohol** – This policy has been referred to Council as a standalone report to address updates made.
- **Policy 2.24 Appointment of Acting Chief Executive Officer** – Removed all references to position titles suitably qualified to ‘Act’, replaced with notice that the appointment will be made based on employees that are suitably qualified and experienced to take on the role with the decision made by the CEO in consultation with the Shire President.

FINANCE:

- **Policy 4.2 Financial Strategy** – Updated point 4. Relating to terms of borrowing.
- **Policy 4.8 Purchasing** – Inclusion of adding an Elected Member to the tender selection panel, when possible.
- **Policy 4.12 Fees and Charges - Application** – Update on procedure for hirers requesting exemption from Fees and Charges.

WORKS

- **Policy 5.0 Road Management** – This policy has been referred to Council as a standalone report to address updates made.
- **Policy 5.1 Road Material Acquisition – Gravel, Sand and Water** – This policy has been referred to Council as a standalone report to address updates made.

EMERGENCY SERVICES:

- **Policy 6.0 Bushfire Control** – This policy has been referred to Council as a standalone report to address updates made.

COMMUNITY:

- **Policy 7.4 Frankland River and Cranbrook Caravan Parks Long-Term Accommodation** – Removed mention of seven site being reserved for workers as all sites are now available.

Statutory Environment

Section 2.7(2b) of the Local Government Act 1995, states that:

The Council is to determine the Local Government’s policies.

Policy Applicable – Implications

This report proposes adoption of the revised Council Policy Manual that includes amendments to current policies as defined above.

Financial Implications

There are no financial implications for this report.

Risk Implications

The risks associated with matters in this report are varied and include:

- Misconduct
- Business and Community Disruption
- External Theft and Fraud
- Errors, Omissions and Delays
- Failure of IT and or Communication Systems and Infrastructure
- Failure to fulfil Statutory, Regulatory or Compliance Requirements
- Inadequate Document Management Processes
- Inadequate Engagement Practices
- Inadequate Asset Sustainability Practices
- Inadequate Safety and Security Practices
- Ineffective Employment Practices
- Inadequate Project/Change Management
- Inadequate Supplier/Contract Management
- Ineffective Management of Facilities/Venues/Events

The **impact** of the risk is People, Financial, Service Interruption, Non-Compliance, Reputational, Property and Natural Environment

The **consequences** of these risks are considered to be Moderate

The **likelihood** is Likely

Hence the **risk rating** for this item is High

Risk mitigation includes:

- Councillors having a clear understanding of the content of the policies in the attached policy manual; and
- The successful execution of the policies by the Management Team and staff.
- Reviewing the Policy Manual annually.

Strategic Community Plan Reference

The 2021-2031 Shire of Cranbrook, Strategic Community Plan states that:

Outcome 16 – High Performing Shire: An accountable and respected Shire, investing in its people and structures.

Deliverable 16.1: A Shire and supporting entities are well-governed with delineated roles and accountabilities.

Consultation

Consultation for this report included the Management Team, Executive Officer and Shire staff.

Voting Requirements

Absolute Majority

OFFICER'S RECOMMENDATION

That the Audit Committee recommends that Council adopt the reviewed Shire of Cranbrook Policy Manual 2025 with the suggested amendments, as attached.

5. CLOSURE OF MEETING

There being no further business to discuss the Chairperson, Cr Johnson will declare the meeting closed at _____pm.