

# MINUTES

Audit Committee

## MINUTES OF THE AUDIT COMMITTEE MEETING

HELD ON

MEETING DATE



**THURSDAY 16 AUGUST 2007**

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City of  
Joondalup

# CITY OF JOONDALUP

## MINUTES OF MEETING OF THE AUDIT COMMITTEE HELD IN CONFERENCE ROOM 2, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON THURSDAY 16 AUGUST 2007

### ATTENDANCE

#### Committee Members:

Cr Tom McLean	<i>Presiding Person</i>	North Ward
Cr Steve Magyar	<i>Deputy Presiding Person</i>	North-Central Ward
Mayor Troy Pickard		
Cr Richard Currie		South Ward

#### Officers:

Mr Garry Hunt	Chief Executive Officer	
Mr Mike Tidy	Director Corporate Services	<i>Absent from 1854 hrs to 1857 hrs</i>
Mr Peter McGuckin	Internal Auditor	
Ms Janet Harrison	Administrative Services Coordinator	

#### Elected Members:

Cr Russ Fishwick	South Ward	<i>from 1848 hrs</i>
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#### In Attendance

Mr Patrick Warr of Bentleys MRI Perth.	<i>To 1854 hrs</i>
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### DECLARATION OF OPENING

The Presiding Person declared the meeting open at 1845 hrs.

### APOLOGIES/LEAVE OF ABSENCE

Apologies - Cr Michele John, Cr Marie Macdonald and Cr Sue Hart

### CONFIRMATION OF MINUTES

#### MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 6 MARCH 2007

**MOVED** Cr Magyar **SECONDED** Mayor Pickard that the minutes of the meeting of the Audit Committee held on 6 March 2007 be confirmed as a true and correct record.

The Motion was Put and

**CARRIED (4/0)**

In favour of the Motion: Crs McLean, Magyar, and Currie, Mayor Pickard

**ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

Nil.

**DECLARATIONS OF INTEREST****Disclosure of Financial Interests**

Nil.

**Disclosure of interest affecting impartiality**

<b>Name/Position</b>	<b>Mr Garry Hunt</b> – Chief Executive Officer
<b>Item No/Subject</b>	Item 1 Quarterly report – Corporate Credit Card Usage to 31 March 2007
<b>Nature of interest</b>	Interest that may affect impartiality
<b>Extent of interest</b>	Relates to CEO credit card expenditure

<b>Name/Position</b>	<b>Mr Garry Hunt</b> – Chief Executive Officer
<b>Item No/Subject</b>	Item 2 Quarterly report – Corporate Credit Card Usage to 30 June 2007
<b>Nature of interest</b>	Interest that may affect impartiality
<b>Extent of interest</b>	Relates to CEO credit card expenditure

<b>Name/Position</b>	<b>Mayor Troy Pickard</b>
<b>Item No/Subject</b>	Item 7 Increase in the maximum limit for the CEO's Corporate Credit Card
<b>Nature of interest</b>	Interest that may affect impartiality
<b>Extent of interest</b>	Mayor Pickard is attending the delegation in Jinan.

<b>Name/Position</b>	<b>Mr Garry Hunt</b> – Chief Executive Officer
<b>Item No/Subject</b>	Item 7 Increase in the maximum limit for the CEO's Corporate Credit Card
<b>Nature of interest</b>	Interest that may affect impartiality
<b>Extent of interest</b>	Relates to CEO's corporate credit card.

**IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY SIT BEHIND CLOSED DOORS**

Nil.

**PETITIONS AND DEPUTATIONS**

Nil.

**INTRODUCTION OF AUDITOR**

The City's External Auditor, Mr Patrick Warr of Bentleys MRI, Perth was in attendance.

Mr Warr addressed the Committee. Mr Warr advised that the interim audit had been completed, with nothing of significance found, and the final audit will be conducted next month. Mr Warr advised that auditing standards had changed to International Audit Standards, which are covered by law.

A number of questions were raised by Committee members.

Mr Warr left the Room at 1848 hrs.

## **ITEM 1                    QUARTERLY REPORT - CORPORATE CREDIT CARD USAGE TO 31 MARCH 2007 – [09882, 18049]**

**WARD:**                    All

**RESPONSIBLE**    Mr Mike Tidy  
**DIRECTOR:**        Director Corporate Services

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### **PURPOSE**

The purpose of this report is to provide the Audit Committee with details of the corporate credit card usage of the CEO for the quarter ended 31 March 2007.

### **EXECUTIVE SUMMARY**

The report of the CEO's credit card usage for the quarter ended 31 March 2007 is attached.

*It is recommended that the Audit Committee NOTES the report on the corporate credit card usage of the CEO for the quarter ended 31 March 2007.*

### **BACKGROUND**

At its meeting held on 11 October 2005, Council inter alia resolved that a quarterly report on the corporate credit card usage of the CEO is to be prepared and presented to the Audit Committee - CJ210-10/05 refers.

### **DETAILS**

The report listing all credit card payments made by the CEO for the quarter, including bank fees, is set out in Attachment 1.

#### ***Issues and options considered:***

*As provided in CJ210 – 10/05.*

#### **Link to Strategic Plan:**

The report on credit card usage links to the Strategic Plan outcome of: "The City of Joondalup is a sustainable and accountable business" and in particular objective 4.1 which is "to manage the business in a responsible and accountable manner".

#### **Legislation – Statutory Provisions:**

Regulation 11(1) of the Local Government (Financial Management) Regulations 1996 requires a local government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security for, and properly authorised use of credit cards.

**Risk Management considerations:**

In accordance with the City's Corporate Procedure 5.9 Use of Credit/Charge Cards, the CEO's credit card has a maximum limit of \$5,000. All expenditure incurred by the CEO by way of credit card is authorised by the Director Corporate Services. It is also a requirement, by resolution of Council, that the CEO's credit card expenditure is reviewed by the Audit Committee on a quarterly basis. The procedure additionally covers matters such as the issue and return of credit cards, lost or stolen cards, what purchases can be made by credit cards, documentation requirements and management review.

**Financial/Budget Implications:**

N/A

**Policy implications:**

N/A

**Regional Significance:**

N/A

**Sustainability implications:**

By ensuring that expenditure is incurred in accordance with procedures and within budget parameters, financial viability and sustainability is maintained.

**Consultation:**

N/A

**COMMENT**

The CEO's credit card usage is in accordance with Corporate Procedure 5.9 - Use of Credit/Charge Cards - and the Contract of Employment of the CEO, with all expenditure being business related and authorised by the Director Corporate Services.

**ATTACHMENTS**

Attachment 1 - CEO Credit Card Expenditure for the Quarter Ended 31 March 2007.

**VOTING REQUIREMENTS**

Simple Majority

**OFFICER'S RECOMMENDATION**

That the Audit Committee NOTES the report on the corporate credit card usage of the CEO for the quarter ended 31 March 2007.

**MOVED Cr Magyar SECONDED Cr Currie that the Audit Committee NOTES:**

- 1 the report on the corporate credit card usage of the CEO for the quarter ended 31 March 2007;
- 2 the report on the corporate credit card usage of the CEO for the quarter ended 30 June 2007.

**The Motion was Put and****CARRIED (4/0)****In favour of the Motion:** Crs McLean, Magyar, and Currie, Mayor Pickard**ITEM 2 QUARTERLY REPORT- CORPORATE CREDIT CARD USAGE TO 30 JUNE 2007 – [09882, 18049]****WARD:** All**RESPONSIBLE** Mr Mike Tidy  
**DIRECTOR:** Director Corporate Services

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**PURPOSE**

The purpose of this report is to provide the Audit Committee with details of the corporate credit card usage of the CEO for the quarter ended 30 June 2007.

**EXECUTIVE SUMMARY**

The report of the CEO's credit card usage for the quarter ended 30 June 2007 is attached.

*It is recommended that the Audit Committee NOTES the report on the corporate credit card usage of the CEO for the quarter ended 30 June 2007.*

**BACKGROUND**

At its meeting held on 11 October 2005, Council inter alia resolved that a quarterly report on the corporate credit card usage of the CEO is to be prepared and presented to the Audit Committee - CJ210-10/05 refers.

**DETAILS**

The report listing all credit card payments made by the CEO for the quarter, including bank fees, is set out in Attachment 1.

**Issues and options considered:**

As provided in CJ210 – 10/05.

**Link to Strategic Plan:**

The report on credit card usage links to the Strategic Plan outcome of: "The City of Joondalup is a sustainable and accountable business" and in particular objective 4.1 which is "to manage the business in a responsible and accountable manner".

**Legislation – Statutory Provisions:**

Regulation 11(1) of the Local Government (Financial Management) Regulations 1996 requires a local government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security for, and properly authorised use of credit cards.

**Risk Management considerations:**

In accordance with the City's Corporate Procedure 5.9 Use of Credit/Charge Cards, the CEO's credit card has a maximum limit of \$5,000. All expenditure incurred by the CEO by way of credit card is authorised by the Director Corporate Services. It is also a requirement, by resolution of Council, that the CEO's credit card expenditure is reviewed by the Audit Committee on a quarterly basis. The procedure additionally covers matters such as the issue and return of credit cards, lost or stolen cards, what purchases can be made by credit cards, documentation requirements and management review.

**Financial/Budget Implications:**

Not applicable.

**Policy implications:**

Not applicable.

**Regional Significance:**

Not applicable.

**Sustainability implications:**

By ensuring that expenditure is incurred in accordance with procedures and within budget parameters, financial viability and sustainability is maintained.

**Consultation:**

Not applicable.

**COMMENT**

The CEO's credit card usage is in accordance with Corporate Procedure 5.9 - Use of Credit/Charge Cards - and the Contract of Employment of the CEO, with all expenditure being business related and authorised by the Director Corporate Services.

**ATTACHMENTS**

Attachment 1 - CEO Credit Card Expenditure for the Quarter Ended 30 June 2007.

**VOTING REQUIREMENTS**

Simple majority.

## OFFICER'S RECOMMENDATION

That the Audit Committee NOTES the report on the corporate credit card usage of the CEO for the quarter ended 30 June 2007.

**This item was considered earlier in the meeting in conjunction with Item 1.**

## ITEM 3                    HALF-YEARLY REPORT - CONTRACT EXTENSIONS – [07032]

**WARD:**                    All

**RESPONSIBLE**    Mr Mike Tidy  
**DIRECTOR:**        Director Corporate Services

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## PURPOSE

The purpose of this report is to provide the Audit Committee with details of contracts extended by the Chief Executive Officer between January 2007 and June 2007.

## EXECUTIVE SUMMARY

The report of contracts extended by the Chief Executive Officer during the half-year from 1 January 2007 to 30 June 2007 is provided in Attachments 1 and 2.

*It is recommended that the Audit Committee NOTES the report detailing contracts extended by the CEO during the period January 2007 to June 2007.*

## BACKGROUND

At its meeting held on 1 November 2005, Council resolved that a half-yearly report be prepared for the Audit Committee detailing contracts that were originally approved by Council and have subsequently been extended by the Chief Executive Officer – CJ231-11/05 refers.

## DETAILS

Council has delegated to the CEO the authority to approve all contract extensions on tenders approved by Council subject to a report to the Audit Committee being prepared on a half-yearly basis providing details of those contracts extended.

### ***Issues and options considered:***

The report detailing contracts extended by the CEO is provided at Attachments 1 and 2.

### **Link to Strategic Plan:**

The report of contracts extended by the CEO links to the Strategic Plan outcome of: "The City of Joondalup is a sustainable and accountable business" and in particular objective 4.1 which is "to manage the business in a responsible and accountable manner".

### **Legislation – Statutory Provisions:**

The City's legal advice is that under section 5.41(d) of the Local Government Act the CEO may be delegated the power to extend a contract – provided the CEO does not extend the contract beyond the "total term of the contract" specified by the Council in the resolution.



**Risk Management considerations:**

The delegated authority to extend contracts is limited to the original terms and conditions approved by resolution of Council when the tender was first awarded.

**Financial/Budget Implications:**

In accordance with each individual contract and approved budget limits.

**Policy implications:**

Not applicable

**Regional Significance:**

Not applicable

**Sustainability implications:**

Not applicable

**Consultation:**

Not applicable

**COMMENT**

This report provides the Audit Committee with details of contracts originally approved by Council or by the CEO under delegated authority, which have subsequently been extended by the CEO during the period from January 2007 to June 2007.

**ATTACHMENTS**

Attachment 1 - Extensions of Council's originally approved contracts

Attachment 2 - Extensions of CEO originally approved contracts

**VOTING REQUIREMENTS**

Simple majority.

Discussion ensued, with the following comments being made:

A query was raised on the process of seeking alternative tenderers in the event that tenders received were too high. There was general discussion on the tendering process.

It was requested that information be provided to the Committee on actual expenditure on contracts compared to the estimates reported originally when the contract was awarded. Only significant variances either as a percentage or as a dollar figure need be reported. The reporting to be on the same frequency as contract extensions.

It was requested that information on the City's environmental programmes be provided in the Annual Report

**MOVED Cr Currie SECONDED Mayor Pickard that the Audit Committee NOTES the report detailing contracts extended by the CEO during the period January 2007 to June 2007.**

**The Motion was Put and**

**CARRIED (4/0)**

**In favour of the Motion:** Crs McLean, Magyar, and Currie, Mayor Pickard

#### **ITEM 4                    WRITE OFF OF MONIES – [07032]**

**WARD:**                    All

**RESPONSIBLE**    Mr Mike Tidy  
**DIRECTOR:**        Director Corporate Services

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#### **PURPOSE**

To report to the Audit Committee on monies written off under delegated authority.

#### **EXECUTIVE SUMMARY**

Amounts written off under delegated authority during the six months ended on 30 June 2007 totalled \$11,507.87 of which six items totalling \$7,740.91 were over \$100 each and were considered un-recoverable. The remaining balance of \$3,766.96 was made up of 2,806 small amounts for which the recovery cost was considered prohibitive.

*It is recommended that the Audit Committee receives the report of amounts written off under delegated authority for the period January 2007 to June 2007.*

#### **BACKGROUND**

Section 6.12 (1)(c) of the Local Government Act 1995 gives the Council the power to write off any amount of money owing to the City.

By authority of section 5.42 of the Act, the Council delegated this authority to the CEO, who in turn, under section 5.44, delegated his authority to nominated employees, up to the limits provided in the instrument of delegation.

#### **DETAILS**

##### **Issues and options considered:**

At its meeting held on 6 June 2006 (CJ 079-06/06) Council approved -inter alias- to delegate to the CEO the authority to write- off monies owed to the City, subject to a report being provided to the Audit Committee on a six (6) monthly basis on the exercise of this delegation for amounts between \$100 and \$20,000.

During the six month ended on 30 June 2007 a total amount of \$11,507.87 was written off, of which six items totalling \$7,740.91 exceeded \$100 each details of which are provided in Attachment 1.

The remaining amount of \$3,708.71 was made up of small Rates balances ranging from one cent to five dollars each, representing in the main, rounding decimals or penalty interest charged for a few days late payment where ratepayers did not pay the penalty and the cost

of collection was, for all practical purposes, proving to be un-economical. This in addition to two other small debts totalling \$58.25 that are considered un-recoverable.

**Link to Strategic Plan:**

4.3.3 Provide fair and transparent decision-making processes.

**Legislation – Statutory Provisions:**

Section 6.12 (1)(c) of the Local Government Act 1995

**Risk Management considerations:**

Amounts written off are small in value and are either unrecoverable or uneconomical to recover, none of which represents a noteworthy financial risk to the City.

**Financial/Budget Implications:**

Amounts of Rates written off are charged back to the Rate account originally credited and get adjusted against the Rate revenue for the year. A provision for doubtful debts is created to account for unrecoverable debts, none of which is financially material.

**Policy implications:**

Delegation of Authority

**Regional Significance:**

Not applicable

**Sustainability implications:**

Not applicable

**Consultation:**

Not applicable

**COMMENT**

Monies written off under delegated authority totalled \$11,507.87, of which six items totalling \$7,740.91 exceeded the \$100 reporting threshold as detailed in the attachment. No amount is written off without exhaustive collection effort unless the cost of collection becomes prohibitive.

**ATTACHMENTS**

Attachment 1 Spreadsheet for Write Off of Monies for 1.01.2007 to 30.06.2007

**VOTING REQUIREMENTS**

Simple majority

**OFFICER'S ECOMMENDATION**

That the Audit Committee RECEIVES the report of monies written off under delegated authority for the period January 2007 to June 2007.

The Director Corporate Services provided an overview of the report.

**MOVED Mayor Pickard SECONDED Cr Currie that any Director associated with the former entity Vision Events Management Pty Ltd and Stacey Walden-Percussion Alliance and any of its organisers be banned from any future booking and use of City facilities until any amount previously written-off is paid.**

Discussion ensued.

**The Motion was Put and**

**CARRIED (4/0)**

In favour of the Motion: Crs McLean, Magyar, and Currie, Mayor Pickard

**MOVED Mayor Pickard SECONDED Cr Currie that the Audit Committee RECEIVES the report of monies written off under delegated authority for the period January 2007 to June 2007.**

**The Motion was Put and**

**CARRIED (4/0)**

In favour of the Motion: Crs McLean, Magyar, and Currie, Mayor Pickard

**ITEM 5                    INTERNAL AUDIT PLAN – [89528]**

**WARD:**                    All

**RESPONSIBLE**        Garry Hunt  
**DIRECTOR:**            Office of the CEO

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**PURPOSE**

This report is to provide information to the Audit Committee on the Internal Audit Plan for 2007/2008.

**EXECUTIVE SUMMARY**

To minimise risk within the City an annual Internal Audit Plan is developed. The plan sets out the programme to be followed by the City's Internal Auditor, and also allows for unspecified management requests, specialist advice and investigations.

*It is recommended that the Audit Committee note the Internal Audit Plan for 2007/2008.*

## BACKGROUND

Part 7 of the *Local Government Act 1995* sets out the requirements in relation to the conduct of audits of local governments. This includes provisions for the establishment of regulations in relation to the conduct of audits and these are in turn set out in the *Local Government (Audit) Regulations 1996*.

## DETAILS

The Audit Plan sets out the programme to be implemented during 2007/2008 by the City's Internal Auditor. The risk rating for each audit area will be determined by the assessment of risk during the completion of the risk registers. The risk rating will be on the scale of one to nine as shown in the risk matrix where one is the lowest risk and nine is the highest. The risks are determined by the likelihood and the impact of the risk occurring.

Audit Area	Risk Identified	Audit Days	Business Unit
Rates Collection	<ul style="list-style-type: none"> <li>Failure to identify and collect all rates payments due to the City.</li> </ul>	10	Financial Services
Contracts Management	<ul style="list-style-type: none"> <li>The appointment of unsuitable contractors.</li> <li>Poor contract management.</li> </ul>	15	Financial Services
I.T. Contingency Planning and Back-up	<ul style="list-style-type: none"> <li>Loss of essential data.</li> <li>Interruption to City's services.</li> <li>Failure to recover from a disaster.</li> </ul>	15	Information Management
Business/Process Improvement	<ul style="list-style-type: none"> <li>Inefficient processes within the City.</li> <li>Non implementation of recommendations.</li> </ul>	18	Organisational Development
Workforce Planning	<ul style="list-style-type: none"> <li>Inadequate numbers of experienced and trained staff to carry out the City's activities.</li> </ul>	15	Human Resources
Project Management	<ul style="list-style-type: none"> <li>Projects poorly managed.</li> </ul>	15	Asset Management
Risk Management	<ul style="list-style-type: none"> <li>City does not identify, assess and respond to risks.</li> </ul>	20	All
Compliance Audit Return	<ul style="list-style-type: none"> <li>Information not available to accurately complete the annual return.</li> </ul>	5	<sup>1</sup> MMCCS, <sup>2</sup> APES, Financial Services and Human Resources
Credit Card Payments	<ul style="list-style-type: none"> <li>Cards not used in compliance with corporate procedures.</li> </ul>	5	CEO
Business Unit Reports	<ul style="list-style-type: none"> <li>Inaccurate reporting of financial information.</li> </ul>	5	All
Audits Follow-up	<ul style="list-style-type: none"> <li>Non implementation of agreed recommendations.</li> </ul>	5	All
Risk Review	N/A	30	All
External Audits (Management response and follow up)	N/A	10	All

Management Requests / Specialist Advice / Investigations	N/A	20	All
Audit Committee Reports	N/A	10	

<sup>1</sup>Marketing, Communications and Council Support

<sup>2</sup>Approvals, Planning and Environmental Services

#### **Issues and options considered:**

The issues identified for 2007/2008 were developed in conjunction with the Chief Executive Officer and Internal Auditor, using past audit programming data and knowledge of high-risk areas.

#### **Link to Strategic Plan:**

Objective 4.1 – To manage the business in a responsible and accountable manner.

Objective 4.2 – To provide quality services with best of resources.

#### **Legislation – Statutory Provisions:**

Part 7 of the Local Government Act 1995 and the Local Government (Audit) Regulations 1996.

#### **Risk Management considerations:**

The Internal Audit Plan is an important element of risk management and a contributor to the mitigation of risk.

#### **Financial/Budget Implications:**

Not applicable.

#### **Policy implications:**

Not applicable.

#### **Regional Significance:**

Not applicable.

#### **Sustainability implications:**

The audit requirement is a statutory obligation to ensure the prudent and sustainable operation of the City.

#### **Consultation:**

Not applicable.

#### **COMMENT**

Not applicable.

**ATTACHMENTS**

Not applicable.

**VOTING REQUIREMENTS**

Simple majority.

**MOVED Cr Magyar SECONDED Mayor Pickard that the Audit Committee NOTES the Internal Audit Plan for 2007/2008.**

The Internal Auditor was introduced to the Committee. Discussion ensued.

**The Motion was Put and**

**CARRIED (4/0)**

In favour of the Motion: Crs McLean, Magyar, and Currie, Mayor Pickard

**ITEM 6 INTERNAL AUDIT ASSIGNMENT**

**This item was WITHDRAWN**

**The following late item was presented to the Audit Committee:**

**ITEM 7 INCREASE IN THE MAXIMUM LIMIT FOR THE CEO'S CORPORATE CREDIT CARD – [18049, 20006]**

**WARD:** All

**RESPONSIBLE DIRECTOR:** Mike Tidy  
Corporate Services

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**PURPOSE**

The purpose of this report is to seek recommendation of the Audit Committee for Council to approve an increase in the credit card limit for the CEO's corporate credit card from \$5,000 to \$10,000.

**EXECUTIVE SUMMARY**

The current limit on the CEO's corporate credit card is \$5,000. The CEO and the Mayor will be travelling to Jinan in late August and September 2007 as an official delegation from the City of Joondalup. There will be a number of expenses that the CEO will need to meet along the way and there will need to be provision to cover emergency situations which may include airfares or accommodation.

*It is recommended that the Audit Committee recommend to the Council to authorise an increase in the CEO's corporate credit card limit from \$5,000 to \$10,000.*

## **BACKGROUND**

The CEO has a corporate credit card with a maximum limit of \$5,000. This arrangement has been in place for a number of years. At the end of August and into September 2007 the CEO and the Mayor are travelling to Jinan in China as the City of Joondalup's official delegation. Although there will be expenses paid in advance prior to their departure there will need to be some costs picked up along the way and in addition there will need to be provision to cover emergency situations which could involve airfares, accommodation or other travel expenses. It is felt that the current CEO corporate credit card limit of \$5,000 is probably not sufficient to cover this situation. It is proposed to increase the limit to \$10,000.

## **DETAILS**

### **Issues and options considered:**

The alternatives to what is proposed would include that there be no increase to the credit card limit or if it is accepted that some increase is warranted that it be for a different amount than that proposed.

It is considered that the current \$5,000 limit is simply too low to provide any security or assurance to cover emergency situations and incidental expenses that might arise in relation to an international trip. The basic upfront airfares and accommodation for the Mayor and the CEO that will be paid prior to their departure exceed \$10,000. It is strongly felt that the increase in the CEO's corporate credit card limit from \$5,000 to \$10,000 provides the best assurance and is a safe and secure way to provide for emergency situations.

### **Link to Strategic Plan:**

The City of Joondalup is a sustainable and accountable business.

4.1 To manage the business in a responsible and accountable manner.

### **Legislation – Statutory Provisions:**

Regulation 11(1) of the Local Government (Financial Management) Regulations 1996 requires the local government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security for, and properly authorised use of credit cards.

### **Risk Management considerations:**

The current provisions of the City's corporate procedure 5.9 Use of Credit/Charge Cards, provides for the CEO's credit card to have a maximum limit of \$5,000. All expenditure incurred via the CEO by way of credit card is authorised by the Director Corporate Services and is reported quarterly to the Audit Committee. The report identifies all of the individual transactions that have taken place on the corporate credit card. Increasing the limit from \$5,000 to \$10,000 does not cause a significant increase from a risk management perspective given the current procedures and arrangements that are in place.

### **Financial/Budget Implications:**

The increase in the limit from \$5,000 to \$10,000 has no direct financial or budget implications and the costs of the trip to Jinan have been fully budgeted for.

### **Policy implications:**

Not applicable.



**Regional Significance:**

Not applicable.

**Sustainability implications:**

The process of ensuring that expenditure has occurred in accordance with procedures and within budget parameters ensures financial viability and sustainability.

**Consultation:**

Not applicable.

**COMMENT**

The proposed international trip to Jinan does mean that the CEO's corporate credit card with the current limit of \$5,000 does not provide sufficient cover should there be an emergency situation that might require airfares or accommodation to be covered as well as the incidental expenses that will be incurred on the trip. Increasing the corporate credit card limit is an expedient and effective way of providing a level of financial security in relation to this trip.

**ATTACHMENTS**

Not applicable.

**VOTING REQUIREMENTS**

Simple majority.

**OFFICER'S RECOMMENDATION**

That the Audit Committee RECOMMENDS that Council AUTHORISES an increase in the CEO's corporate credit card limit from \$5,000 to \$10,000.

**MOVED Mayor Pickard SECONDED Cr Currie that the Audit Committee RECOMMENDS that Council AUTHORISES an increase in the CEO's corporate credit card limit from \$5,000 to \$10,000 and NOTES that the corporate credit card limit will be restored to \$5,000 at the completion of the Jinan delegation.**

**The Motion was Put and**

**CARRIED (3/1)**

**In favour of the Motion:** Crs McLean and Currie, Mayor Pickard **Against the Motion:** Cr Magyar.

**MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil.

**REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION**

Nil.

## **CLOSURE**

There being no further business, the Presiding Person declared the Meeting closed at 2004 hrs; the following Elected members being present at that time:

Cr T McLean  
Cr S Magyar  
Mayor T Pickard  
Cr G Amphlett  
Cr R Currie