

**Audit Recommendations and Management Comments****PLANNING & BUILDING APPLICATION PROCESSES****Recommendation – Fairness & Conflicts of Interest**

Update the WAM sheets to include a check box to confirm that no conflict of interest exists.

**Management Comment, Responsibility & Timeframe**

The suggestion to update the WAM sheets with a declaration that no conflict of interest exists for all necessary persons (including assessing officer, delegated signatory etc) is noted and will be implemented as soon as practicable.

Responsibility: Coordinator Planning Approvals

Estimated Completion Date: End of March 2013

**Recommendations – System Processing Issues**

Investigate the occurrences of system errors in relation to the calculation and accumulation of clock days when applications are pending.

Staff should be reminded of the need for accuracy and to properly update the system events screen when manual adjustments are made to the applications screens.

**Management Comment, Responsibility & Timeframe**

Staff are continually reminded of the need for accuracy, and the requirements to update the system as regularly as possible.

System anomalies will be discussed with the Business Systems Analyst, however it is noted that due to the complexity of these applications, resolution of this issue may not be within the capabilities of the software.

Responsibility: Coordinator Planning Approvals

Estimated Completion Date: End June 2013

**ELECTED MEMBERS ENTITLEMENTS & EXPENSES****Recommendation - Payment of Elected Members' Fees and Allowances**

Our audit commends the "one off payment" process designed by management to mitigate against underpayments and possible overpayments. Our audit will not provide any further recommendations as this measure is sufficient and appropriate.

**Management Comment, Responsibility & Timeframe**

During October 2011, Cr Taylor was not paid her \$200.00 monthly telecommunications allowance. This may have been a result in the change of management in the Governance and Marketing Business Unit that occurred at that time but more likely a result of the graduated payment of telecommunication allowances / IT allowance for Elected Members under the policy.

As this graduated payment scheme provided confusion for management and uncertainty for Elected Members (in respect of their scheduled payments), Council at its meeting held on 20 March 2012, revised the payment to a one-off payment at the start of the Elected Member period (October). This will negate any underpayments/overpayments of both telecommunications and IT allowances in future.

No further action is required as a once-off payment process has been implemented since the under payment occurred. Notwithstanding Cr Taylor should be paid the shortfall of \$200.00 as soon as possible.

Responsible Officer: Manager Governance  
Target completion date: 30 March 2013

**Recommendations** - Attendance at Conferences and Training within Australia and Overseas

- 1 Governance should reconcile the Register used for tracking Elected Members allowances with Finance One accounts on a monthly basis.
- 2 Governance should review and sign-off all travel acquittal forms and capture them into the record management system.
- 3 Governance should ensure all documents to support the travel acquittal forms are attached, including the return of cash advances where appropriate.
- 4 Governance should ensure that all forms have a field for the date and that Elected Members date the forms.
- 5 Governance should design a follow up mechanism for all acquittals that exceeded the two week threshold. Follow-up action should also be recorded and maintained in the record management system.
- 6 Governance should communicate to Elected Members that the Manager, Governance and Marketing should provide a copy of the report detailing the outcome of the interstate and or overseas travel by the elected members. Management should also monitor the timing of when the Elected Member returns to Perth and the timing and existence of the circulation of reports to other Elected Members.
- 7 Governance should check the receipts that relate to the returns of cash advances to ensure GST is not coded. Management should create an internal memo and circulate it to finance advising that GST should not be coded to cash advance returns from Elected Members.

ELECTED MEMBERS ENTITLEMENTS & EXPENSES**Management Comment, Responsibility & Timeframe**

Any attendance or payments for conference attendance by Elected Members can only be made on the approval and signature of the Manager Governance (in consultation with the CEO). All original and authorised documentation is submitted to Financial Services as part of payment processes and retained in Financial Services.

Travel acquittal forms are verified and signed off by the Manager Governance before progressing to Financial Services for payment. While the initial acquittal forms as submitted by Elected Members are stored in City's record keeping system, the verified and signed version is not captured in the City's Record Keeping system. All documentation of claims made by Elected Member over and above any advanced amount is retained in Financial Services as part of their payment processing information processes. Any funds returned are cashed and receipted with the receipt being provided to the Elected Member for their records.

Notwithstanding, the following actions are considered necessary:

- 1        The development of a new internal procedure for all Elected Member Payments that will detail:
  - 1.1      The need for monthly reconciliation processes between Elected Member conference expenditure information register and Finance One;
  - 1.2      the need for document approvals being captured in TRIM and cross-referenced with submitted acquittal forms, including information/evidence on any advanced monies returned to the City;
  - 1.3      follow-up mechanisms to ensure that conference reports and acquittals of advanced payments are submitted to the City within the required timeframes as stated in the policy.
- 2        All Elected Member expense claim forms being amended so that a date field is present next to all signature blocks or at least date stamped with the date submitted to the City.
- 3        Manager Governance meet with representatives from Financial Services on the coding of GST for advanced payments and other GST related matters on Elected Member expenses.
- 4        Manager Governance to meet with representatives from Financial Services to examine the way Finance One captures payment information, including the acquittal of corporate credit card expenditure when bookings are made.

Responsible Officer: Manager Governance

Target completion date: 30 April 2013

**ELECTED MEMBERS ENTITLEMENTS & EXPENSES**

**Recommendation - Reimbursement of Expenses**

Governance should ensure that all records containing approvals by the Manager Governance are captured into the central record system.

**Management Comment, Responsibility & Timeframe**

Any payments for the reimbursement of Elected Member expenses can only be made on the approval and signature of the Manager Governance. All original and authorised documentation is submitted to Financial Services as part of their payment processes and retained in Financial Services.

Since conducting the audit, internal processes have been revised that ensure that this approval is captured in TRIM and cross referenced to the Elected Members' original expense claim submitted. This process can be captured in the internal procedures to be developed in respect of Audit Item above.

Responsible Officer: Manager Governance  
Target completion date: 30 April 2013