

DRAFT FUEL CARD POLICY

QUALITY CONTROL		
EDRMS REFERENCES		
RESPONSIBLE POSITION	Director Finance and Commercial	
APPROVED BY	Council	
REVIEW DATE		REVISION NUMBER 1
EFFECTIVE DATE	ACTION	MINUTE NUMBER
<Enter Date>	<Enter action description>	<Enter Minute Number>

1. POLICY STATEMENT

1.1 Purpose

This policy outlines the requirements, effective controls, and procedures regarding the use of and management of all fuel cards by Broken Hill City Council (BHCC) staff and Elected Representatives.

Fuel cards allow for the efficient and effective operation of BHCC business and are not a benefit assigned to specific individuals. The use of fuel cards creates savings in staff administration time and are an efficient means of procuring a variety of fuel types for BHCC fleet. As each card is assigned to individual fleet items it is an effective way of tracking fuel expenditure for each fleet item.

All BHCC fuel cards are subject to appropriate controls to protect organisational funds, maintain the integrity of governance processes and maintain public confidence in BHCC operations. This policy provides an effective system of internal control, to address the significant risks of fraud and misuse of fuel cards.

1.2 POLICY OBJECTIVE

The objective of this policy and associated procedures is to detail standard fuel card usage and management practices across council to highlight the obligations of Council officers who purchase fuel by way of a fuel card.

Fuel card usage is a function that lends itself to substantial risk in terms of fraud and corruption and therefore the measures outlined in this policy aim to mitigate those risks.

Successful fuel card usage increases efficiency of services and reduces administrative burden.

1.3 POLICY SCOPE

All staff are accountable for applying this policy within their areas of responsibility. Specific responsibilities are as follows:

- The Director Financial and Commercial, Manager Finance and Plant and Fleet Coordinator are responsible for the development of all policies and procedures in relation to fuel card usage.
- Managers of each division are accountable for the implementation, maintenance, and the management of any breach of policy within their areas of responsibility in accordance with this policy and related policies.
- Each member of staff is responsible for ensuring that they fulfil their obligations in relation to this policy, procedures and Code of Conduct when spending public funds.

2. PROCEDURE AND GUIDANCE NOTES

2.1 Requirement

This policy represents the principles, processes and procedures that will be applied to fuel card usage on Council's behalf.

This policy will apply to Councillors, Council Staff and all persons undertaking any form of fuel procurement by way of Fuel Card on Council's behalf, and they are accountable for complying with all relevant legislative and policy requirements.

2.2 Conduct of Councillors and Council Staff

Councillors and members of staff and all persons engaged in fuel card purchases on behalf of council must exercise with the highest standards of integrity in a manner able to withstand the closest possible scrutiny.

All members of staff have an overriding responsibility to act with integrity at all times.

2.3 Appropriate Use

- The maximum daily transaction limit per card is \$1,000.
- Fuel Card users must enter the PIN applicable to the individual fleet item they are refuelling, and an odometer/hour reading must be entered in store upon payment of fuel.
- BHCC Fuel Cards shall not be used for private or personal expenditure.
- BHCC employees will not be entitled to any rewards program or access to rewards that may be offered as part of the BHCC incurring expenditure.

2.4 Eligibility, Security and Governance

Fuel cards are to be maintained in a secure manner by the responsible Council officer and guarded against improper use.

- The Manager Finance or Plant and Fleet Co-Ordinator are to authorise the establishment of new fuel cards upon purchase of a new fleet item. New fuel cards must be recorded in a fuel card register.
- Individual fuel cards will be issued to each plant/fleet item. Cards should not be used across multiple fleets; this is to ensure accurate tracking of fuel expenditure.

- Fuel cards are to be used with a unique PIN that is specific to the allocated fleet item.
- All fuel cards will require an odometer/hour reading at every refuel.
- The Manager Finance will perform regular reviews and compliance checks of all fuel cards, including, but not limited to; usage patterns, limits, internal controls, and risk management relating to fuel card usage. If necessary or upon request, a summary of the review will be reported to the General Manager.
- Lost, stolen and / or damaged cards are to be reported immediately to the Manager Finance. This will eliminate the risk of potential financial losses. The lost, stolen and / or damaged cards are recorded in a register.
- Expired cards are to be destroyed and returned to Finance Operations in exchange for a current card for that fleet item.

2.5 Reconciliation Process

- Finance Operations will download the monthly transaction report and corresponding invoice from the Ampol Fuel Card Portal.
- The transaction report will be analysed for duplicate transactions, incorrect cost allocations and other anomalies before being uploaded to Council's accounting system by way of electronic bulk import.
- The bulk import is electronically verified by the system before progressing to the invoice processing stage.
- An exempt order task is completed by Finance and approved by a manager with the delegated expenditure approval limit in accordance with council's Procurement Framework.
- The invoice is paid as part of the weekly creditor payment by electronic funds transfer.

2.6 Misuse of Card

Card users will be considered to have misused the card if they fail to meet their responsibilities as described above.

Misuse of the card may result in disciplinary action.

The card user is also required to bear the cost of any charges incurred by the organisation arising from any card misuse.

Improper use of a fuel card may render the card user liable to disciplinary/legal action and or criminal prosecution if deemed appropriate.

If a card is inadvertently used for personal use the card user should:

- Identify if the supplier can reverse the transaction, or
- Ensure that repayment is made immediately (or as soon as practically possible). With a copy of the receipt for reimbursement forwarded to Manager Finance.

3. IMPLEMENTATION

3.1 Communication

This Policy will be communicated to the community and staff in accordance with Council's Policy, Procedure and Process Framework and Council's Business Paper process. Following adoption by Council the Policy will be made available on Council's website.

4. ASSOCIATED DOCUMENTS

- Motor Vehicle Usage Policy

5. REVIEW

Review of this policy will incorporate relevant legislation, documentation released from relevant state agencies and best practice guidelines.

The standard review period will be within each term of Council following the Local Government Elections, or as required to ensure that it meets legislation requirements and the needs of the community and Council. The responsible Council officer will be notified of the review requirements three (3) months prior to the expiry of this policy.

The Manager Finance and Plant and Fleet Co-Ordinator are responsible for the review of this policy.

6. LEGISLATIVE AND LEGAL FRAMEWORK

This policy is to be read in conjunction with the following:

- Local Government Act 1993
- Local Government (General) regulation 2021
- Councils Code of Conduct and Business Ethics

Council employees shall refrain from personal activities that would conflict with proper execution and management of Council's Fuel Card Policy. Council's Code of Conduct provides guidance for recognising and disclosing any conflicts of interest.