

Assessment of Policy 1.2.8 Corporate Credit Cards

Impact of Policy Repeal: There is no specific legislative requirement for a Council Policy. In alignment with the Council’s Policy Development and Review Policy and established document hierarchy, the objectives of the policy are more appropriately addressed through an Internal Procedure.

The recommendation to repeal this policy is grounded in the existing legislative framework, the robust Corporate Credit Card Management Procedure already in place, the overarching Purchasing Policy governing all transactions, and the current monthly reporting requirements ensuring transparency and accountability.

No.	Current Clause	Impact of Policy revocation
1.	<p>PURPOSE</p> <p>To ensure legislative compliance and financial good practice are met through the effective issue and use of corporate credit cards.</p>	<p>No impact – the City’s Corporate Credit Card Management Procedure aligns with this clause and clearly outlines the purpose of the procedure.</p>
2.	<p>OBJECTIVES</p> <p>To ensure that adequate controls exist for the issue of corporate credit cards and outline the appropriate use of corporate credit cards by the City’s officers.</p> <p>The use of corporate credit cards shall only be approved if there is a demonstrated need and advantage to the City. This may include:</p> <ul style="list-style-type: none"> a. reduction of time spent on paper-based ordering and payments; b. reduction of administrative costs; c. reduction of the number of payments processed per month; d. facilitating regular on-line fixed subscriptions for services such as internet service providers; e. timely remittance of payments to suppliers resulting in better customer service; and f. facilitating payment in emergency situations. 	<p>No impact – the City’s Corporate Credit Card Management Procedure aligns with this clause and outlines the objectives.</p>

No.	Current Clause	Impact of Policy revocation
3.	<p>POLICY OWNER</p> <p>Manager Financial Services</p>	<p>No impact – The management of corporate credit cards remains the responsibility of the Manager of Financial Services and the Executive Director of Community and Business Services / CFO.</p>
4.	<p>RELATED DOCUMENTS</p> <ul style="list-style-type: none"> • Administrative Procedure 1.2.8 – Corporate Credit Cards; • Credit card cardholder agreement; • City’s Policy No. 1.2.3 – Purchasing Policy; and • Local Government (Financial Management) Regulations 1996. 	<p>No impact – the City’s Corporate Credit Card Management Procedure aligns with this clause and identifies the updated and relevant documents.</p>
5.1	<p>POLICY STATEMENT</p> <p>Applications for corporate credit cards and approval</p> <ul style="list-style-type: none"> • All applications for a corporate credit card shall be approved by the Executive Director Corporate Services or the Chief Executive Officer; • the Executive Director Corporate Services or the Chief Executive Officer will determine the conditions for use, maximum credit limit and credit limit for individual transactions; and • In the case of the Chief Executive Officer, the Mayor shall approve the application and determine the conditions for use and maximum credit limit and credit limit for individual transactions. 	<p>No impact – Item 1 of the City’s Corporate Credit Card Management Procedure aligns with this clause and outlines the application process, maximum limit determination, and approval procedures.</p>
5.2	<p>Issuing of corporate credit cards to Elected Members</p> <p>The <i>Local Government Act 1995</i> does not make provision for the issuing of credit cards to Elected Members. As such Elected Members shall not be issued with a corporate credit card.</p>	<p>No impact – Item 2 of the City’s Corporate Credit Card Management Procedure aligns with this clause. Additionally, this is addressed by the <i>Local Government Act 1995</i>, which does not provide for the issuance of credit cards to Elected Members.</p>

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5.3	<p>Eligibility</p> <p>The City may issue a corporate credit card to an employee that:</p> <ul style="list-style-type: none"> a. is an ongoing or fixed term employee of the City; b. occupies a position that has a regular and demonstrated need to purchase goods and services; and c. will comply with the conditions of use as stated in the City's credit card cardholder agreement, this policy and any relevant administrative procedure. 	<p>No impact – Item 3 of the City's Corporate Credit Card Management Procedure aligns with this clause and outlines the eligibility requirements for applying for a Corporate Credit Card.</p>
5.4	<p>Register</p> <p>The Manager Financial Services will maintain a register of all corporate credit cards issued.</p>	<p>No impact – Item 3 of the City's Corporate Credit Card Management Procedure aligns with this clause and specifies the requirement to maintain a register, including the identification of staff responsible for its management.</p>
5.5	<p>Making Purchases</p> <p>Credit cards shall only be used for purchasing goods and services on behalf of the City and done so in accordance with the City's Policy No. 1.2.3 - Purchasing Policy.</p>	<p>No impact – Item 6 of the City's Corporate Credit Card Management Procedure aligns with this clause and outlines the guidelines for making purchases, including adherence to the City's Purchasing Policy.</p>
5.6	<p>Misuse of corporate credit card</p> <p>The following acts are considered misuse of a corporate credit card.</p> <ul style="list-style-type: none"> a. use of corporate credit cards for personal expenditure; b. cash withdrawals; c. personal entertainment purposes; and d. use of the card in conjunction with reward schemes, such as Fly Buys. <p>Misuse of the corporate credit card will result in the Chief Executive Officer withdrawing the authority to use the corporate credit card and taking appropriate</p>	<p>No impact – Item 5 and Item 6 of the City's Corporate Credit Card Management Procedure aligns with this clause and addresses the misuse of corporate credit cards.</p>

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	disciplinary action. Instances of alleged criminal or fraudulent misuse shall be reported in accordance with Part 3 of the <i>Crime and Corruption Act</i> .	
5.7	<p>Payment Reconciliation</p> <p>a. The cardholder must retain tax invoices and evidence of approval of expenditure to allow the validity of the purchase to be determined. This must be provided with the card statement to facilitate acquittal; and</p> <p>b. The Executive Director Corporate Services must approve all acquittals, except for the Executive Director Corporate Services' acquittal, which must be approved by the Chief Executive Officer.</p>	No impact – Item 7 of the City's Corporate Credit Card Management Procedure aligns with this clause and outlines the reconciliation process.
6.	<p>ROLES AND RESPONSIBILITIES</p> <p>Manager Financial Services:</p> <ul style="list-style-type: none"> • maintain register of credit card holders and coordinate the credit card approval process; and • develop and ensure compliance with good practice use of corporate credit cards processes. <p>Executive Director Corporate Services and Chief Executive Officer:</p> <ul style="list-style-type: none"> • approval of credit card applications and authorising payment acquittals. 	No impact – The City's Corporate Credit Card Management Procedure aligns with this clause and clearly delineates the associated roles and responsibilities.