



Ombudsman reveals changes to WCC credit card rules

Description



The W'bool City Council has made significant changes to its credit card policy following an external review in response to the scandal around misuse and largesse.

Carol Altmann – The Terrier

Update: The Ombudsman's report reveals the 10 recommendations from the external auditor that were adopted by the council in March this year.

Why, oh why, were these rules around credit cards not in place in the first place? They seem so straight forward.

Here is the summary of the changes:

1. Provide fraud and corruption control training to all Council staff including reporting of actual or suspected fraud and corruption.
2. Review and update Fraud and Corruption Control Plan and Procedure to include fraud incident reporting protocols to the Council.
3. Establish a criterion to determine the need for a credit card by a staff member.
4. Review and update the existing Corporate Credit Card Procedures, including to stipulate the roles and responsibilities of an authoriser, create list of risk factors for authorisers to be aware and create guidelines on 'taking face value explanations' versus 'appropriate inquiry'.
5. Provide training to authorisers with respect to approval of monthly credit card expenses.
6. Review and update the existing Fraud and Corruption Controls Procedure to include specific trigger

points when an independent auditor should be brought in (i.e. the period after unusual/misuse has been identified to when possible fraud is suspected).

7. Implement a process wherein pre-approvals (except CEO) shall be required for expenses such as (but not limited to):

- a. Business travel
- b. Accommodation
- c. Conferences
- d. Seminars

8. Implement an approval process which aligns with the practice recommended by the Victorian Auditor General. The Council's Chief Financial Officer or Director Corporate Strategies, shall approve CEO's credit card expenditure, and table the full transaction history to the Audit and Risk Committee.

9. Implement ongoing reporting and monitoring processes that fosters continuous improvement of credit card processes (with suggested areas for improvements including implementing Breach reports and Repeat Offenders report)

10. Incorporate a process wherein Statutory Declarations are witnessed by one of the many people authorised to do so (outside the Council).

I have one more update to come.

(You can [download the full report here.](#))

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Date Created

2020/10/09

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