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| Policy Name: | Expenditure |
| Classification: | Public – Council Policy |
| Adopted: | 28 February 2023 |
| Frequency of Review: | Annual |
| Last Review: | October 2023 |
| Next Review Due: | February 2024 |
| Responsible Officer(s): | Executive Manager Finance and Corporate Governance |
| Policy and Code of Practice Manual File Ref: | CC10/2601 |
| Council File Reference: | CR23/6772 |
| Legislation Authority: | Local Government Act 1999 (the Act) |
| Related Policies and Codes: | Procurement Policy Budget Management Policy |
| Related Procedures: | |

1. BACKGROUND

Section 44 (2) of the *Act*, provides that delegations may be made to:

- an employee of the Council; or
- the employee of the Council for the time being occupying a particular office or position.

Pursuant to Section 137 of the *Act*, Council may expend its funds as it thinks fit in the exercise, performance or discharge of its powers, functions or duties required by the *Act* or other relevant legislation.

2. PURPOSE

2.1. An explicit set of policies and procedures is a necessary tool for sound financial management providing the following benefits: **Public accountability and transparency** – Policies and procedures publicly document the Council's position on which it will base its decisions. They demonstrate the Council's commitment to sound financial management and establish transparency for audit purposes;

- **Ensuring a considered approach** – The formal adoption of carefully documented policies and procedures helps ensure that the Council's position on each issue has been properly considered, having regard to alternative approaches and the wider policy and statutory context;

- **Consistency of decision making** – By adopting clear Council policies and procedures a consistent basis for decision-making over time is established. While the Council can make a decision contrary to its adopted policy, it needs a deliberate decision to do so which helps to ensure that proper consideration has been applied;
- **Clear guidance for staff** – Explicit policies and procedures set out the required approach, responsibilities and processes for staff to properly administer the financial business of the Council in accordance with its wishes and consistent with statutory requirements and sound financial management practices. This in turn protects staff from allegations of financial mismanagement as long as the policies and procedures are followed.

2.2. This Policy applies to all expenditure which is incurred by the Council. Expenditure must be properly authorised before the Council is to be committed to the expenditure.

3. PRINCIPLES

- 3.1. The Town of Gawler operates in an environment which is subject to public scrutiny and legislative requirements. The Council is required to ensure that financial resources are allocated in an effective and efficient manner to ensure that “best value” is achieved and the continuation of service provision in the most efficient and cost effective manner.
- 3.2. When purchasing goods and services to support the operations of the Council, consideration is required to be given to;
- obtaining value for money consistent with specified standards of quality and service;
 - minimising risks to the Council and Staff; and
 - ensuring transparency in all decision making.
- 3.3. The general guidelines to be followed for all expenditure, which should be paid for only after:
- the purchase of goods and/or services has been properly authorised;
 - the services provided and or a goods received, have been checked for quality, quantity and performance criteria agreed at the time the purchase was approved; and
 - the invoice details have been verified;
 - against purchase requisition / order / approval;
 - to evidence receipt of goods / services;
 - for correct pricing, extensions and additions; and
 - to ensure all available discounts and incentives have been availed.
- 3.4. The Delegation of Authority sets out a list of staff with the authority to approve the purchase of goods and services. The Delegation level is based on the position and the value of the purchase.
- 3.5. At the time of expenditure commitment, authorised signatories must satisfy themselves that the general guidelines have been followed.

4. POLICY DETAIL

- 4.1. In respect to approval of expenditure, the delegation is limited to the expenditure of money on works, services and operations which are contained in the Annual Budget Plan as adopted by the Council. Expenditure in excess of the approved budget, are to be authorised in line with the Council Budget Management Policy.
- 4.2. All invoices and commitment of expenditure must be authorised for payment in line with the Delegation of Authority listed in:

- Schedule 1: Delegation of Authority; and
- Schedule 2: Delegation of Authority – Specified Transactions.

4.3. If repairs associated with Work Health, Safety or Security are required to be attended to after normal working hours, the Responsible Officer is authorised to purchase whatever goods or services are required to carry out the repair or secure the situation until the next working day. However, the Responsible Officer is required to use discretion regarding the level of repair affected.

5. REVIEW AND EVALUATION

This Policy will be reviewed annually.

The Chief Executive Officer will report to Council on the outcome of the evaluation and if relevant make recommendations for amendments, alteration or substitution of a new Policy.

The Policy will not be altered or substituted so as to affect a process already commenced.

6. FURTHER INFORMATION

Further information about this Policy can be obtained by:

Telephone: 8522 9211

Email: council@gawler.sa.gov.au

Appointment: Town of Gawler Administration Centre, 43 High Street, Gawler East.

Letter: PO Box 130, Gawler SA 5118

7. AVAILABILITY OF POLICY

The Policy is available to be downloaded, free of charge, from Council's website at www.gawler.sa.gov.au.

A printed copy may be purchased on request from the Council's Administration Centre.

EXPENDITURE POLICY

SCHEDULE 1: DELEGATION OF EXPENDITURE AUTHORITY

| Nature & Level | | | Limits (per transaction) |
|---|--|--|--|
| <i>All Invoices within approved budgets (excludes Specified Transactions as per Schedule 2)</i> | | | |
| Chief Executive Officer | | | \$1 million |
| Executive | | | \$500,000 |
| Managers | | | \$200,000 |
| Team Leaders | | | \$25,000 |
| Coordinators | | | \$5,000 |
| Supervisors | | | \$2,500 |
| <u>Other Specified Positions</u> | | | |
| Team Leader Property & Facilities | | | \$100,000 |
| Executive Assistant to CEO & Mayor | | | \$5,000 |
| Property & Facilities Officer | | | \$5,000 |
| Personal Assistant to Executive Managers | | | \$2,500 |
| Administration Support Officer to Department Managers | | | \$2,500 |
| Fleet Officer | | | \$2,500 |
| Managers | Team Leaders | Coordinators | Supervisors |
| Manager Finance and Procurement | Team Leader Governance | | Supervisor Horticulture Open Space |
| Manager Information, Records and Business Improvement | Team Leader Libraries | Civic Centre – Operations Coordinator | Supervisor Civil |
| Manager People and Culture | Team Leader Home Assist and Volunteering | Civic Centre – Cultural Heritage Research Centre Coordinator | Supervisor Parks and Ovals |
| Manager Library and Community Services | Team Leader Aquatic and Recreation | Landscapes Coordinator | Supervisor Town Maintenance |
| Manager Recreation and Leisure Services | Team Leader Engineering Services | | Senior Operations Supervisor Aquatic |
| Manager Strategy | Team Leader Civil | | Senior Programs Supervisor Aquatic |
| Manager Infrastructure | Team Leader Horticulture | | Senior Operations and Program Supervisor GSCC |
| Manager Operations & Town Services | Team Leader Town Maintenance | | |
| Manager Development Services and Assessment | Team Leader Community Safety | | |
| Manager Environment and Regulatory Services | Team Leader Planning | | |
| | Team Leader Marketing and Communications | | |

Standing Delegations

Where the relevant Executive Manager/ Manager is not available, other Executive Managers, Managers and Chief Executive Officer can authorise invoices for payment in their absences, up to their respective delegation.

SCHEDULE 2: SPECIFIED TRANSACTIONS

| <u>Nature & Level</u> | Limits (per transaction) |
|--|---|
| IT Hardware & Software & Maintenance | Manager Information, Records and Business Improvement In line with expenditure delegation |
| Communications Equipment | Manager Information Records and Business Improvement In line with expenditure delegation |
| Payroll (including employee deductions) | Senior HR/Payroll Officer (fortnightly payroll) |
| Taxation related payments (GST, FBT, PAYG etc) | Manager Finance and Procurement |
| Reimbursement of personal expenditure Executive Manager Other employees | Chief Executive Officer Immediate Manager |
| Insurance Renewals | Manager People and Culture <\$300,000 |
| Insurance Claim Settlements | Executive Manager Finance and Corporate Governance <\$10,000 Manager People and Culture <\$5,000 |
| Rates Related Transactions | Senior Rates Officer <\$5,000 |
| Corporate Stationary | Administration Officer Property and Facilities <\$5,000 |
| Provision for Doubtful Debts | Chief Executive Officer <\$5,000 Executive Manager, Finance and Corporate Governance <\$2,500 Manager, Finance and Procurement <\$200 |
| Write off bad debt against provision | Chief Executive Officer <\$5,000 Executive Manager, Finance and Corporate Governance <\$2,500 Manager, Finance and Procurement <\$200 |