

Cab Charges, Ride Shares & Pool Cars Internal Audit

Friday, 10 November 2023

Audit and Risk Committee

Strategic Alignment - Enabling Priorities

Program Contact:

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Public

Approving Officer:

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EXECUTIVE SUMMARY

In accordance with the 2022-23 Internal Audit Plan for the City of Adelaide (CoA) an internal audit focussing on the expenditure of cab charges, the utilisation of pool cars and the use of CoA decals on private vehicles was performed.

The internal audit identified three high, one moderate and one low risk rated findings, with two improvement opportunities.

The Internal Audit Plan has been developed in consideration of Council's key strategic risks and critical priorities.

Internal audit is an essential component of a good governance framework. It is the mechanism which enables Council to receive assurance that internal controls and risk management approaches are effective, that it is performing its functions legally, effectively, and to advise how it can improve performance.

RECOMMENDATION

THAT THE AUDIT AND RISK COMMITTEE

1. Notes the internal audit report provided as Attachment A to Item 5.6 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.
2. Endorses the responses of the Administration to the Cab Charges, Ride Shares and Pool Cars Internal Audit Report as outlined in Attachment A to Item 5.6 on the Agenda for the meeting of the Audit and Risk Committee held on 10 November 2023.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Enabling Priorities Internal audit is an essential component of a good governance framework. It enables Council to ensure it is performing its function legally, effectively and efficiently.
Policy	Not as a result of this report.
Consultation	Not as a result of this report.
Resource	Not as a result of this report.
Risk / Legal / Legislative	Not as a result of this report.
Opportunities	Internal audits suggest a range of improvement opportunities
23/24 Budget Allocation	Not as a result of this report.
Proposed 24/25 Budget Allocation	Not as a result of this report.
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report.
Ongoing Costs (eg maintenance cost)	Not as a result of this report.
Other Funding Sources	Not as a result of this report.

DISCUSSION

Background

1. The Cab Charges, Ride Shares and Pool Cars Internal Audit was performed by CoA's Risk and Audit Analyst, in accordance with the 2022-23 Internal Audit Plan.

Report

2. This audit aligns with CoA's Strategic Risk – Financial Sustainability: Failure to plan for and manage Council's finances.
3. Cab charges and ride shares are a form of transportation CoA employees use to attend off-site meetings and appointments in the course of their normal day to day work duties.
4. The CoA have acquired pool cars for employees to use when conducting CoA business. These vehicles are dedicated to general business and not allocated to a position or person. They are available for use by all employees for general day to day use through the vehicle booking system (i.e. Microsoft Outlook).
5. During the course of the audit and consultation with stakeholders, it was identified that decals and magnetic stickers may be placed on private vehicles of staff / contractors to allow those people to park on the city streets for an unlimited period of time in the course of performing their official duties for CoA. Therefore, it was determined to include this as part of this audit to ensure that appropriate controls and processes are in place for the use of decals and stickers.
6. The objective of the audit considered CoA's expenditure on cab charges, the utilisation of pool cars (including cars assigned to business units) and the use of CoA decals on private vehicles, with consideration given to ride share opportunities. The review assessed the contracts in place with certain providers and whether CoA is managing these contracts in the most cost-effective way.
7. The findings of the internal audit are indexed into the following risk ratings:

Finding	Risk Rating
No documented processes in place for CoA decals	High
No documented processes in place for CoA contractor stickers	High
Incorrect use of pool cars	High
Logbooks not completed	Moderate
No documented guidelines for the use of cab charges	Low
Online portal opportunity	Improvement Opportunity
Opportunity to reduce pool cars	Improvement Opportunity

8. Management have considered the findings and provided actions and time frames to address these findings.

ATTACHMENTS

Attachment A – Cab Charges, Ride Shares and Pool Cars Internal Audit

- END OF REPORT -