



Fuel Management Policy and Procedure



Yarriambiack
SHIRE COUNCIL

Fuel Management Policy and Procedure

Yarriambiack Shire Council encourages a working environment which promotes gender equality and models non-violent and respectful relationships.

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1 Objective

This Fuel Management Policy and Procedure incorporates measures to prevent, detect, and respond to fuel theft and aids as a corruption prevention measure.

This includes securing fuel storage, implementing robust tracking and monitoring systems, educating employees, and establishing clear guidelines for fuel usage.

The purpose of this policy and procedure is to ensure:

- a) Effective controls, policies and procedures are in place with respect to the purchasing, use and distribution of fuel.
- b) Transparency in Council's operations concerning the use of fuel cards.
- c) Council's resources are managed with integrity and diligence; and
- d) Compliance with the *Local Government Act 2020* which provides that the Audit and Risk Committee (ARC) charter must specify the functions and responsibilities of the ARC. This includes section 54(2)(c) which requires the ARC to monitor and provide advice on:
 - Risk management; and
 - Fraud prevention systems and controls.

Chapter 1 – Fuel Management Policy

2 Responsibility

This policy covers all Councillors, staff, contractors, volunteers, and anyone accessing Council fuel systems.

Council is accountable for municipal governance, safeguarding public assets and funds, and upholding its reputation. It sets high standards for honesty and integrity in service delivery and organisational management.

Fraud prevention is a shared responsibility at all levels. Employees must promptly report suspected fraud to either the Chief Executive Officer or a member of the Executive.

The Chief Engineering Officer oversees this policy's administration.

3 Policy Statement and Scope

3.1 Prevention

Secure Fuel Storage:

Council is committed to:

- Installing robust locking and dispensing mechanisms on fuel tanks
- Implementing anti-siphoning devices to prevent unauthorised fuel removal.
- Implementing fuel tank alarms to detect unauthorised access or fuel loss.
- Utilising fuel management systems with automated alerts for unusual fuel activity.

Secure Fuelling Practices:

Council will:

- a. Limit access to fuel pumps and fuel cards.
- b. Ensure personnel are assigned fuel dispensing access that monitors usage automatically.
- c. Utilise surveillance cameras and security lighting where possible.

Monitoring and Tracking:

Council is committed to the:

- a. Implementation of GPS tracking systems to monitor vehicle locations and fuel consumption patterns.
- b. Effective use of fuel management software that integrates with GPS and fuel level monitoring.
- c. Establishment of clear guidelines for fuel card usage and the monitoring of transactions.

Employee Education:

Council will:

- a. Train employees and where appropriate contractors on fuel theft prevention methods and best practices.
- b. Educate drivers on fuel-efficient driving techniques to minimise fuel consumption.
- c. Encourage employees to report any suspicious activity or potential theft attempts.

3.2 Detection**Fuel Monitoring Systems:**

Council will:

- a. Utilise fuel management systems that monitor fuel levels in real-time.
- b. Set up alerts for sudden drops in fuel levels or unusual fuel usage patterns.

Regular Audits:

Council will:

- a. Conduct regular audits of fuel usage and fuel card transactions.
- b. Cross-reference fuel purchases with vehicle usage and mileage.

Surveillance:

Council will:

- a. Utilise surveillance cameras and security lighting to monitor fuel storage and dispensing areas where possible.
- b. Review surveillance footage regularly to identify any suspicious activity.

3.3 Response**Clear Reporting Procedures:**

Council is committed to:

- c. Establishing clear procedures for reporting suspected fuel theft.
- d. Ensuring that employees know who to contact and how to report incidents.

Investigation and Action:

Council will:

- a. Investigate all reported incidents of fuel theft thoroughly.
- b. Take appropriate disciplinary action against those found to be involved in fuel theft.

Review and Improvement:

Council will:

- a. Regularly review the effectiveness of this policy and procedure.

- b. Make necessary adjustments to strengthen the policy and improve security measures.

Documentation:

Council will maintain detailed records of all fuel transactions, fuel usage, and incidents of fuel theft.

By implementing this comprehensive policy and procedure, Council can improve overall security of fuel by minimising both the risk of fuel theft and fuel costs.

3.4 Purpose of Fuel Cards

Fuel cards have been implemented to allow the Council to transact its business in a more efficient manner by providing Council Officers with a more convenient method to meet costs they incur on Council's behalf.

Fuel cards should be recognised as a valuable tool for the efficient and effective operation of Council's daily business rather than a benefit assigned to specific individuals.

3.5 Issuing of Cards

The Chief Engineering Officer has delegated authority to authorise the issuing of fuel cards to staff and/or vehicles.

The Business Lead Asset Systems, Networks and Planning will be responsible for maintaining a register of the individual fuel cards including their associated limits and expiry dates.

3.6 Restrictions on Use

Fuel cards are not to be used for personal expenses under any circumstances and are to be utilised for Council official business only.

The cardholder will be personally liable for expenditure that cannot be shown to be related to the business of the Yarriambiack Shire Council and may be subject to disciplinary action.

3.7 Plant disposal

Fuel cards are assigned to Council vehicles or plant items, not individual employees. When a vehicle or plant item is disposed of, reassigned, retired from service or otherwise no longer requires a fuel card, the card must be returned to the Business Lead Asset Systems, Networks and Planning as soon as reasonably practicable for cancellation and destruction.

3.8 Reporting Lost or Stolen Cards

If a card is lost or stolen it is the cardholder's responsibility to immediately notify the Chief Engineering Officer and the Business Lead Asset Systems, Networks and Planning.

The card issuer is to be notified as soon as reasonably practicable.

3.9 Replacement Cards

The card is valid for the period shown on the face of the card. The Business Lead Asset Systems, Networks and Planning will arrange replacement cards.

Chapter 2 – Fuel Management Procedure

4 Responsibility

All employees and Councillors are responsible for adhering to this procedure.

For internal control purposes, the Payroll and Accounts Payable Officer is responsible for:

- a) Monitoring supplier accounts and notifying the Chief Financial Officer if fuel is being charged to a supplier account that is not authorised for fuel purchasing; and
- b) Monitoring the aggregate spend for approved fuel suppliers with accounts.

The Business Lead Asset Systems, Networks and Planning is responsible for issuing and managing Council's Fuel Cards and reviewing the Monthly Fuel Accounts prior to being submitted to the Chief Engineering Officer for approval. If the account payment exceeds the Chief Engineering Officer's financial delegation, it is to be reviewed by the Chief Engineering Officer and escalated to the Chief Executive Officer for approval.

The Chief Engineering Officer is responsible for reviewing the actual v budget transactions monthly and ensuring purchases of fuel adhere to this policy and procedure.

Operations (Works) Supervisors are responsible for reconciling fuel tank allocations on a monthly basis and submitting all supporting documentation to the Chief Financial Officer for processing in the inventory system.

5 Scope

Council utilises fuel cards for the majority of fuel purchases to track and control fuel costs, prevent fraudulent activities and encourage fuel efficiency and cost savings.

Fuel cards provide Council with the opportunity to capture data regarding fuel consumption and kilometres travelled. Capturing such data provides Council with the ability to make informed decisions.

Due to the limited fuel suppliers across the region, Council is required to utilise multiple fuel cards to ensure service delivery requirements are met.

The five approved Fleet Cards are:

- One Card (Procurement Australia Fleet Card)
- BP Card
- Mogas Card
- Riordan's Fuel Card
- Bonney Energy Card

Council has direct supplier accounts established where service delivery levels would be compromised, and no other fuel station is available within the township. The aggregate financial year spend for the purchase of fuel at a service station that has an approved supplier account cannot exceed \$2,000 (two thousand dollars) per year.

If the spend is to exceed the aggregate \$2,000 (two thousand dollars) per year, the Chief Engineering Officer is to be alerted and must assess the risks associated with the purchase and is to implement control measures to comply as far as reasonably practical with these Fuel Card Guidelines.

6 Issuing and Return

The Business Lead Assets Systems, Networking and Planning is responsible for the management, compliance, monitoring and review of all fuel card processes. The Customer Liaison Administrator (Infrastructure and Outdoor Works) is responsible for administering and delivering the day-to-day fuel card functions. The Chief Engineering Officer is the approving authority and provides final sign-off for all fuel card governance, policy and compliance matters.

Following approval from the Chief Engineering Officer, fuel cards are issued by the Customer Liaison Administrator (Infrastructure and Outdoor Works). The Business Lead Assets Systems, Networking and Planning is responsible for overseeing the administration, governance and compliance of all fuel card processes. The cards record information on fuel purchased and odometer readings. This information aids in monitoring the costs and efficiency of vehicle fleet operation. For accurate recording of costs and usage and overall control and management of the fleet and equipment, fuel cards are the preferred method for fuel purchases.

Issue and Return of Fuel Card

- a) The Customer Liaison Administrator (Infrastructure and Outdoor Works) issues fuel cards for each vehicle or plant item under the direction of the Business Lead Assets Systems, Networking and Planning.
- b) The fuel card must only be used for the vehicle or plant it is assigned to and must not be utilised to refuel any other vehicle or plant item.
- c) The fuel cards assigned to Council vehicles or plant must be retained with either the keys or within the assigned vehicle or plant at all times.
- d) The custodian of the vehicle or plant is responsible for ensuring the fuel card is maintained in a safe and secure location.
- e) If the vehicle is a pool car, the Officer or Councillor utilising the vehicle is responsible for the issued fuel card.
 1. If the vehicle is a private use vehicle, the Authorised Officer or Councillor is responsible for the issued fuel card.
 2. The Customer Liaison Administrator (Infrastructure and Outdoor Works) issues fuel cards for each vehicle or plant item under the direction of the Business Lead Assets Systems, Networking and Planning.
 3. The fuel card must only be used for the vehicle or plant it is assigned to and must not be utilised to refuel any other vehicle or plant item.
 4. The fuel cards assigned to Council vehicles or plant must be retained with either the keys or within the assigned vehicle or plant at all times.
 5. The custodian of the vehicle or plant is responsible for ensuring the fuel card is maintained in a safe and secure location.
 6. If the vehicle is a pool car, the Officer or Councillor utilising the vehicle is responsible for the issued fuel card.
- f) If the vehicle is a private use vehicle, the Authorised Officer or Councillor is responsible for the issued fuel card.

Use of Fuel Card

- a) An odometer reading must be recorded at the time of fuel purchase for each vehicle.
- b) Each BP fuel card has an independent Personal Identification Number (PIN). The fuel card, vehicle keys and associated PIN details must be kept secure at all times and only be accessible to authorised users.
- c) The primary priority is to ensure vehicles are refuelled at stations that accept the OneCard (Fleet Card) and BP Card. Selected plant and vehicles which operate in areas where the OneCard (Fleet Card) and BP Cards are not accepted are issued with a Mogas, Riordan's or Bonney's fuel card.
- d) Each vehicle must maintain a minimum fuel tank level of at least a quarter at all times.
- e) Fuel cards are only authorised for the purchase of fuel.

Fuel Card Auditing

- The fuel card suppliers will issue Council with a monthly statement outlining all fuel purchased using the fuel card within the month.

- The Customer Liaison Administrator (Infrastructure and Outdoor Works) will undertake monthly reconciliation and administration of fuel card transactions.
- The Business Lead Assets Systems, Networking and Planning is responsible for monitoring, reviewing and assessing monthly fuel card statements and reconciliations prior to submitting them to the Chief Engineering Officer for approval.
- The Chief Engineering Officer is responsible for final approval of fuel card reconciliations and any required corrective actions.

Bulk Fuel Purchases

Council will purchase bulk fuel in approved fuel tanker trailers to undertake construction and maintenance works. Fuel cards are assigned to specific vehicles, plant items or fuel tankers and are not interchangeable. The use of a vehicle fuel card to purchase bulk fuel for a tanker, or the use of a tanker fuel card for any other purpose, is prohibited and may be treated as a breach of this Policy and Procedure.

As fuel is distributed from the tankers, a record sheet is to be completed which identifies:

- a) The amount of fuel extracted.
- b) The plant number the fuel is allocated to.
- c) The Council employee who extracted the fuel. The name of the employee must be clearly legible, and the employee must also sign the record sheet.

The Supervisors are to reconcile the monthly fuel allocations for each tanker and allocate them to the applicable plant, until the new digital system is implemented.

All record sheets and reconciliation calculations are to be submitted to the Corporate Services Department for processing in the inventory system.

The Supervisors are responsible for fuel tanker allocations and must ensure all fuel allocations are accounted for.

The Business Lead Assets Systems, Networking and Planning is responsible for oversight of bulk fuel management processes, with administrative support provided by the Customer Liaison Administrator (Infrastructure and Outdoor Works).

This paper-based system will be replaced by the Digital Fuel Tracking System. The Digital Fuel Tracking System will require additional or alternative tasks which will be reviewed and implemented at the time of installation, under the direction of the Business Lead Assets Systems, Networking and Planning and with final approval by the Chief Engineering Officer.

In summary, the *Loss and or damage, Replacement of Fuel Card*:

- g) The Business Lead Assets Systems, Networking and Planning must be notified as soon as reasonably practicable if a fuel card is lost, stolen or damaged. Council is responsible for all transactions up to the time that the lost or stolen report is made.
- h) The Customer Liaison Administrator (Infrastructure and Outdoor Works) will notify the Police (if stolen) or the fuel card supplier (if lost or damaged) immediately upon notification.
- i) Any replacement fuel cards must be organised by the Customer Liaison Administrator (Infrastructure and Outdoor Works).
- j) The Business Lead Assets Systems, Networking and Planning is responsible for managing the replacement process and investigating any loss, theft or misuse of fuel cards.
- k) Any significant incidents, breaches or replacement actions are to be reported to the Chief Engineering Officer, who retains final approval and sign-off authority for fuel card management and related processes.

7 Authorised Accounts

Council has established supplier accounts where service delivery would be compromised if fuel was unable to be supplied within that township.

The supplier is required to complete a Fuel Supply Declaration Form, which records the vehicle registration number, odometer reading, driver and the driver's signature. The form is to be submitted with the invoice for payment.

Where aggregate fuel spend exceeds \$2,000 (two thousand dollars) per year, an Authorised Officer of Council will raise the option with the supplier of installing a fuel card system.

This procedure should be read in conjunction with the following Policies:

- [Motor Vehicle Manual](#)
- [Information Privacy Policy](#)
- [Fraud and Corruption Prevention Policy](#)

8 References

- a) Local Government Act 2020
- b) Public Interest Disclosures Act 2012
- c) Public Interest Disclosure Policy
- d) Public Interest Disclosure Procedure – Guidelines
- e) Procurement Policy
- f) Procurement Management Manual
- g) Finance and Payroll Management Manual
- h) Fraud and Corruption Prevention Policy
- i) Information Privacy Policy
- j) Motor Vehicle Manual
- k) Lost or Stolen Card Form
- l) Credit and Debit Card Purchase Request Form
- m) Council Plan – Strategic Objective 4: A Council Who Serves Its Community

9 Definitions

Term	Description
Vehicle	Includes Council vehicles, plant and equipment unless the context requires otherwise.
Fuel card	A Council-authorized card used to purchase fuel for approved Council vehicles, plant or equipment.
Cardholder	The employee, Councillor or authorised person responsible for the secure use and custody of an issued fuel card.
Authorised account	A Council-approved supplier account used for fuel purchases where fuel card access is not available, or service delivery would otherwise be compromised.
Digital Fuel Tracking System	The system used to record, monitor and reconcile bulk fuel allocation, fuel usage and related data.

10 Consistency with Governance Principles Local Government Act 2020

Governance Principle	Section of policy where covered
a) Council decisions are to be made and actions taken in accordance with the relevant law;	Sections 1, 2, 3, 4, 6, 7 and 8. Supports compliance with the Local Government Act 2020, fraud prevention, procurement and financial controls.
b) priority is to be given to achieving the best outcomes for the municipal community, including future generations;	Sections 1, 3 and 5. Protects public assets, reduces misuse and supports reliable fuel access for Council services.
c) the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;	Sections 3, 5 and 6. Supports cost control, fuel efficiency, monitoring and improved fleet data.
d) the municipal community is to be engaged in strategic planning and strategic decision making;	Not applicable. This is an internal operational policy and does not require community engagement.
e) innovation and continuous improvement is to be pursued;	Sections 3 and 6. Supports ongoing improvement through monitoring, audits, alerts and the Digital Fuel Tracking System.
f) collaboration with other Councils and Governments and statutory bodies is to be sought;	Sections 5, 7 and 8. Supports coordination with fuel suppliers, card providers and statutory bodies where required.
g) the ongoing financial viability of the Council is to be ensured;	Sections 1, 3, 4, 5, 6 and 7. Supports financial control through limits, reconciliations, approvals, monitoring and records.
h) regional, state and national plans and policies are to be taken into account in strategic planning and decision making;	Sections 1, 5, 7 and 8. Aligns with relevant legislation, Council Plan objectives and related Council policies.
i) the transparency of Council decisions, actions and information is to be ensured.	Sections 1, 2, 3, 4 and 6. Promotes transparency through clear roles, records, audits, reporting and approvals.

In giving effect to the overarching governance principles, a Council must take into account the following supporting principles—

Community Engagement Principles	- A community engagement process must have a clearly defined objective and scope. - Participants in community engagement must have access to objective, relevant and timely information to inform their participation.
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	- Participants in community engagement must be representative of the persons and groups affected by the matter that is the subject of the community engagement. - Participants in community engagement are entitled to reasonable support to enable meaningful and informed engagement. - Participants in community engagement are informed of the ways in which the community engagement process will influence Council decision making.
Comment:	Not applicable. This internal policy does not require community engagement.
Public Transparency Principles	- Council decision making processes must be transparent except when the Council is dealing with information that is confidential by virtue of this Act or any other Act. - Council information must be publicly available unless— (i) the information is confidential by virtue of this Act or any other Act; or (ii) public availability of the information would be contrary to the public interest. - Council information must be understandable and accessible to members of the municipal community. - Public awareness of the availability of Council information must be facilitated.
Comment:	Applied. Clear roles, approvals, records, reconciliations and reporting support transparency.
Strategic Planning Principles	- An integrated approach to planning, monitoring and performance reporting is to be adopted. - Strategic planning must address the Community Vision. - Strategic planning must take into account the resources needed for effective implementation. - Strategic planning must identify and address the risks to effective implementation. - Strategic planning must provide for ongoing monitoring of progress and regular reviews to identify and address changing circumstances.
Comment:	Applied where relevant. Responsibilities, audits, reconciliations, budget monitoring and reviews support planning and risk control.

Financial Management Principles	- Revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a Council's financial policies and strategic plans. - Financial risks must be monitored and managed prudently having regard to economic circumstances. - Financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community. - Accounts and records that explain the financial operations and financial position of the Council must be kept.
Comment:	Applied. Fuel transactions are managed through authorised cards, accounts, reconciliations, limits and records.
Service Performance Principles	- Services should be provided in an equitable manner and be responsive to the diverse needs of the municipal community. - Services should be accessible to the members of the municipal community for whom the services are intended. - Quality and costs standards for services set by the Council should provide good value to the municipal community. - A Council should seek to continuously improve service delivery to the municipal community in response to performance monitoring. - Service delivery must include a fair and effective process for considering and responding to complaints about service provision.
Comment:	Applied. Approved fuel access, monitoring and reporting support reliable, cost-effective service delivery.

11 Policy and Procedure Review

This policy and procedure will be reviewed every three years, or earlier if required by legislative change, operational need, audit findings or Council direction.

Minor administrative changes may be made to this policy and procedure without formal adoption, provided the changes do not materially alter its intent, operation or effect.

Any material change to the intent, obligations or responsibilities established by this policy and procedure must be approved by the Chief Executive Officer under delegated authority.

12 Legislative Context

This policy and procedure is not mandated as a standalone policy under legislation. However, it supports Council's obligations under the *Local Government Act 2020* by promoting good governance, financial control, fraud prevention, risk management, transparency and responsible management of public resources. The policy also assists Council and the Audit and Risk Committee to monitor and strengthen fraud prevention systems and controls.

Council Approved Policy

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