

9.7 COUNCIL EXPENSES POLICY

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Attachments: 1. Council Expense Policy

SUMMARY

The Council Expenses Policy identifies facilities, services and resources which are made available to Councillors and identifies those circumstances under which Councillors may incur and seek reimbursement for out of pocket expenses while carrying out their duties as an elected representative.

The Policy also provides guidelines for Councillors on the process for claiming expenses and outlines the methods and standards for reporting and accountability.

RECOMMENDATION

THAT Council endorse the Council Expenses Policy.

BACKGROUND

This Policy applies to Councillors and members of delegated committees and provides guidelines for Councillors on the process for claiming expenses and outlines the methods and standards for reporting and accountability. This Policy was last updated in November 2018 and under the new *Local Government Act 2020* is required to be reviewed and adopted by 1 September 2020.

ISSUES AND DISCUSSION

Councillors are eligible for reimbursement of expenses and support for performing duties that are necessary or appropriate for the purposes of achieving the objectives of a Council.

Such duties would generally include, but are not limited to, the following activities:

- Attendance at meetings of the Council or its Committees
- Attendance at briefing sessions, meetings, workshops and civic events or functions convened or scheduled by council, the Mayor or a senior member of council staff
- Attendance at conferences, workshops or training programs
- Attendance at meetings of community groups, organisations or service authorities to which a councillor has been appointed as a council representative
- Attendance at a meeting, function or event as representative of the council or Mayor
- Attendance at site inspections in relation to a council approval process or Council project
- Responding to communications from constituents concerning council business

COUNCIL EXPENSES POLICY (CONT.)

This Policy sets out the requirements in relation:

- Mayor and Councillor Allowances
- Expenses that a council must reimburse a councillor for provided that they are reasonable bona fide councillor out of pocket expenses incurred while performing duties as a councillor
- Resource and Facilities that a council must make available for the Mayor and the Councillors including home office and communications, building access, councillor office and meeting rooms, stationery and secretarial support, name badge, mayoral vehicle, insurance and workcover
- Professional development and training to enhance councillors professional and personal skills and knowledge to better perform their role as a councillor
- Interstate and Overseas Travel requirements
- Family Care reimbursement for the care of a dependent whilst the councillor is engaged in official duties
- Provision for councillors with disabilities and associated support to be provided
- Transport options
- Private Vehicle Use and the ability to claim travel expenses as well as use of the Council Vehicle Pool

The main changes to the policy are as follows:

- Reflection of new parts of the *Local Government Act 2020*
- Inclusion of the provision for corporate apparel and internet infrastructure
- The name of the policy has been amended to Council Expenses Policy in line with the legislation

CONSULTATION

This Policy is in line with the requirements of the *Local Government Act 2020*.

FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS

All expenses occurred by councillors are reimbursed using the Mayor and Councillors budget. All claims for expense reimbursements must be made on the Councillor and Committee Member Expense Claim Form, with the original receipts attached. Claims for reimbursement will be authorised by the Chief Executive Officer or his/her delegate.

A quarterly report on councillor direct expenses and claims for reimbursement will be provided as an attachment to the Quarterly Finance Report.

POLICY AND LEGISLATIVE IMPLICATIONS

The *Local Government Act 2020* outlines that council must have a Councillor Expenses Policy and identifies the expenses and support that council needs to provide to councillors for them to effectively undertake their role.

COUNCIL EXPENSES POLICY (CONT.)

RISK IMPLICATIONS

Risk Ranking is determined using [ROHS201-G1- Corporate Risk Matrix](#). Risk is identified as Low, Medium, High or Very High.

Risk	Risk Ranking	Proposed Treatments	Within Existing Resources?
There is a risk that the community will make judgements of Councillors and the expenses and support received in their role as Councillor	Low	Ensure good governance practice and transparency to the community	In line with the Councillors Code of Conduct and requirements of the <i>Local Government Act 2020</i>
Councillors breach requirements	Low	Proper reporting processes and practices are put in place	In line with the Councillors Code of Conduct and requirements of the <i>Local Government Act 2020</i> and reporting provided to the community

SUSTAINABILITY IMPLICATIONS (SOCIAL AND ENVIRONMENTAL)

There are no social and environmental implications.

CHARTER OF HUMAN RIGHTS IMPLICATIONS

The rights protected in the Charter of Human Rights and Responsibilities Act 2006 were considered in preparing this report and it's determined that the subject matter does not raise any human rights issues.

CHILDREN AND YOUNG PEOPLE IMPLICATIONS

This Policy does not identify any implications for children and young people but does allow for family care reimbursements.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any direct or indirect interest in this matter.

CONCLUSION

Governance and Corporate Accountability will ensure that this Policy is reviewed as required and as a result of changes to applicable legislation.

MITCHELL SHIRE COUNCIL

Council Meeting Attachment

GOVERNANCE AND CORPORATE PERFORMANCE

22 JUNE 2020

9.7

COUNCIL EXPENSES POLICY

Attachment No: 1

Council Expense Policy

Council Expenses Policy

Policy Owner	Governance & Corporate Accountability Governance and Corporate Performance
Creation Date	June 2020
Revision Date	June 2024

Purpose

The Policy identifies facilities, services and resources which are made available to councillors and identifies those circumstances under which councillors may incur and seek reimbursement for out of pocket expenses while carrying out their duties as an elected representative.

The Policy also provides guidelines for councillors on the process for claiming expenses and outlines the methods and standards for reporting and accountability.

Scope

This Policy applies to:

- Councillors
- and where required members of Special Committees under section 41 of the *Local Government Act 2020*.

Councillor duties are duties performed by a councillor that are necessary or appropriate for the purposes of achieving the objectives of a council having regard to any relevant Act, Regulations, Ministerial Guidelines or council policies.

Such duties would generally include, but are not limited to, the following activities:

- Attendance at meetings of the Council or its Committees
- Attendance at briefing sessions, meetings, workshops and civic events or functions convened or scheduled by council, the Mayor or a senior member of council staff
- Attendance at conferences, workshops or training programs
- Attendance at meetings of community groups, organisations or service authorities to which a councillor has been appointed as a council representative
- Attendance at a meeting, function or event as representative of the council or Mayor
- Attendance at site inspections in relation to a council approval process or council project
- Responding to communications from constituents concerning council business

Policy

Mayor and Councillor Allowances

Sections 39 of the *Local Government Act 2020* provides the framework for payment of annual allowances to Mayors and Councillors.

The allowance framework is determined in accordance with the Victorian Remuneration Tribunal under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019*. In addition to the allowance, an amount equivalent to the superannuation guarantee contribution is payable. Councillor Allowances are taxable income and are paid monthly in advance.

Expenses

Section 40 of the *Local Government Act 2020* provides that a council must reimburse a councillor for expenses if the councillor applies in writing and establishes in the application that the expenses were reasonable bona fide councillor out of pocket expenses incurred while performing duties as a councillor.

Section 41 provides that a council may reimburse members of council committees for necessary out of pocket expenses incurred while performing duties as a councillor or member of a delegated committee.

Resource and Facilities

Section 42 of the Act provides that a council must make available for the Mayor and the councillors the resources and facilities reasonably necessary to enable them to perform their role.

Home Office and Communications

Councillors will be provided with the following equipment:

- Mobile telephone (dual Sim Card)
- Tablet/Notebook Computer
- Multi-functional copy, print, scan (optional)

Internet infrastructure will also be provided to councillors homes as required to assist them to undertake their councilor duties.

In accepting equipment under this Policy, councillors will when requested, return equipment to council for maintenance and updating. If required, a substitute device will be provided.

All equipment remains the property of the council and must be returned immediately when a person ceases to be a councillor.

If, at the end of their four-year term of office, the equipment is not required for council use, a councillor may purchase all or any part of the equipment at the value determined by the Chief Executive Officer taking into account the age and condition of the equipment, depreciation and market value.

It is acknowledged that there will be some incidental private use of mobile communications equipment but generally the cost of any private use, including any use exceeding the download capacity provided, of these services and facilities must be reimbursed to council.

Should a councillor prefer to use their own device they can do so, by opting out of accepting any particular item of council provided equipment. Councillors can apply to be reimbursed for both the portion of service and the device used for council business.

Building Access

Each councillor will receive a key and security access card allowing access to the Civic Centre and Mayor and Councillors' Room at Mitchell Shire Council, 113 High Street, Broadford.

Access to the Civic Centre and council buildings is for business activity only related to purposes of councillor business.

Councillor Office and Meeting Rooms

The Mayor and Councillors' Room is reserved for exclusive use by councillors. The room is equipped for computer access and is suitable for office work, reading, conducting research, and small meetings.

Other meeting rooms in the Civic Centre can be booked for meetings through the Executive Office.

Meeting equipment and tea/coffee, biscuits and water will be made available for meetings upon request.

Other meeting rooms owned and controlled by Mitchell Shire Council and which can be accessed without staff attendance can be used (subject to availability) by councillors for meetings associated with their role as a councillor. This does not extend to use by community groups or organisations.

Stationery and Secretarial Support

Secretarial support will be made available by the Executive Assistant to Chief Executive Officer and Mayor to assist the Mayor in performing their official duties.

Councillors will be supplied as required with standard council stationery, including business cards and computer consumables required for their duties as a councillor.

Council business papers, personal mail and other council information will be couriered to Councillors' places of residence weekly or as required. Increased use of electronic mail for information distribution and communication with councillors will continue.

Name Badge and Corporate Apparel

Each Councillor will be provided with a Mitchell Shire Council name badge for use on council business. Corporate Apparel is also available for councillors who wish to wear council branded clothing when representing council at meetings and events.

Mayoral Vehicle

A council-maintained vehicle will be provided to the Mayor for Council use and reasonable private use during his or her term of office.

A council maintained eco-friendly vehicle (as listed by Choice 'Green' car buying guide) will be provided to the Mayor for Council use and reasonable private use during his or her term of office.

Reasonable private use excludes use of the mayoral vehicle:

- By others (with the exception of spouse/partner and/or councillors);
- For private business purposes
- For personal holidays
- For private purposes outside the State of Victoria

Insurance

Councillors are covered under the following council insurance policies while discharging, in good faith, their council duties including attendance at meetings of external bodies as council representatives -

- (a) Public liability;
- (b) Professional indemnity;
- (c) Workers Compensation (Accident Compensation Act);
- (d) Councillors and Officers liability; and
- (e) Corporate travel (approved accompanying partners are also covered);

Each councillor has a responsibility to disclose details of any circumstances which may result in a claim for breach of professional duty. Similarly, if a councillor becomes aware of a matter that exposes the council to risk of a potential claim or that exposes the public to potential injury or harm, the matter is to be reported immediately to the Chief Executive Officer.

Council will pay the insurance policy excess in respect of a claim made against a councillor arising from carrying out their council duties in good faith, where that claim is accepted by council's insurers.

Council equipment provided to councillors is covered for damage or theft under council's insurance policies. Councillors are expected to exercise due care in protecting the equipment from damage or theft.

Workcover

A councillor injured while carrying out their council duties may be entitled to claim workers compensation under the *Workplace Injury Rehabilitation and Compensation Act 2013* (WIRC Act).

Each workers compensation claim will be determined based on its individual circumstances and merit.

Councillors may make a workers compensation claim in accordance under *Workplace Injury Rehabilitation and Compensation Act 2013* and the relevant council policies and procedures.

Professional Development and Training

Councillors are encouraged to attend conferences, seminars, workshops and training programs to enhance their professional and personal skills and knowledge to better perform their role as a councillor.

Proposals for attendance at conferences and training programs will be promoted on the Councillor Portal.

Councillors are permitted to authorise their own attendance at such meetings pertaining to their role as a Councillor to the ceiling of:

- Councillor \$3,000 per annum
- Mayor \$5,000 per Mayoral Year

All attendances at such meetings and conferences shall be booked through the Executive Office and all arrangements will be made by officers on behalf of the councillor regarding such meetings.

Councillors wishing to attend individual training courses where the annual ceiling will be exceeded must discuss this with and seek approval by the Chief Executive Officer and where appropriate, obtain consent from council prior to a registration of attendance at an event or program. Councillors who have exceeded their allocated amount in any one year must reimburse council all costs in excess of their allocated amount unless they have been granted approval by the Chief Executive Officer.

A partner or guest may accompany a councillor to conferences and functions where other attendees are generally accompanied by partners.

The functions will generally involve luncheons and evening activities.

All additional costs such as meals, etc. relating to a partner or guest of a councillor attending formal activities are the responsibility of the councillor. Where appropriate, council may pay these additional costs and seek reimbursement from councillors.

Interstate and Overseas Travel

Proposals for conferences, study tours, delegations or visits in an official capacity both interstate and overseas require endorsement by council.

Where a conference or seminar involves interstate or overseas travel, councillors need to complete a Travel Register form, and provide a written report on their attendance. The report must be submitted to a council meeting as soon as practicable and can be part of the monthly delegates report.

Details of interstate or overseas travel are included in a travel register available for public inspection. All of the above is in line with the requirements in Council's Interstate and Overseas Travel and Accommodation Policy.

Family Care

Family care expenses will be reimbursed for the care of a dependent whilst the councillor is engaged in official duties, such as attending a council related meeting or event, plus reasonable travelling time.

Family care includes childcare, specific home care and any other support provided in the case of a dependent.

Family care expenses include hourly fees paid by the councillor and/or agency booking fees if applicable.

No payments will be made to a person who:

- Has a financial or pecuniary relationship with the councillor
- Resides either permanently or temporarily with the councillor
- Has a relationship with the councillor or his or her partner such that it would be inappropriate for council to reimburse monies paid to the same provider
- Has a relationship as a family member as defined in s126 of the Act

Councillors with Disabilities

The council will meet reasonable additional expenses to assist a councillor with a disability to perform his/her duties as a councillor in accordance with legislation.

Public Transport

Council encourages a range of travel options conducive to the environment. Public transport can be a convenient and efficient form of travel for many council business events, particularly in the central business district of Melbourne.

Public travel expenses incurred by councillors in the course of official duties as councillor will be reimbursed.

Private Vehicle Use

Councillors using their private vehicles to carry out official duties as a councillor will be reimbursed at the motor car allowance rate determined by the Australian Tax Office for tax deduction purposes.

Travel expense claims must be completed on the approved form and forwarded to Governance and Corporate Accountability.

Taxi/Uber Fares

Where it is not possible or convenient to use public transport or a private motor vehicle, a taxi or Uber can be used by councillors for travel required for their official duties as a councillor.

Travel of a private nature will not be reimbursed or paid by council.

Council Vehicle Pool

If it is assessed as the most practical means to attend a location to conduct council related business, a vehicle from the council motor vehicle pool may be provided for use by a councillor or a group of councillors.

General

The following general provisions and guidelines apply to determine the amount of out of pocket expenses that will be reimbursed to, or paid on behalf of, councillors:

- Reimbursements will normally be made in respect of expenses already incurred. Cash advances may be made in special circumstances approved by the Chief Executive Officer
- Travel must be undertaken as efficiently, and by the shortest route possible
- Flights are to be economy class flights where possible
- Where accommodation is required, a standard level will be booked in close proximity to the meeting venue or if appropriate at the meeting venue
- Travel claims will only be made on the basis of the actual form of transport used and in the form of a reasonable allowance towards, or reimbursements of, necessary out of pocket expenses

- Expenses incurred, which are not directly related to the official Council duties of a Councillor, cannot be included in the calculation of a claim for reimbursement
- The cost of any penalties incurred for road, traffic or parking infringements will not be reimbursed
- if a particular expense is not claimed, this cannot be offset against a claim for an additional amount of another expense

Expense Processing and Reporting

Claiming of Expenses

The following provisions apply when making a claim for reimbursement of expenses:

- All claims for expense reimbursements must be made on the Councillor and Committee Member Expense Claim Form (available on the Councillor Portal)
- Original receipts must be attached for all purchases (credit card receipts will not be accepted)
- Where the provider of the goods or service is registered for GST, a Tax Invoice must be obtained for all purchases. If a Tax Invoice is not submitted, the GST component cannot be reimbursed
- Claims are to be lodged with the Governance and Corporate Accountability Unit in a timely manner to ensure transparency and accountability
- Claims for reimbursement will be authorised by the Chief Executive Officer or his/her delegate
- Reimbursements will be paid by electronic funds transfer (EFT) upon receipt of a properly completed and supported claim form

Reporting

Reporting of councillor direct expenses and claims for reimbursement will be presented in a consistent manner throughout the various reporting requirements of council.

A quarterly report on councillor direct expenses and claims for reimbursement will be provided as an attachment to the finance report.

The report will reflect:

- expenses incurred by councillors during the quarter
- any reimbursements made by councillors during the quarter
- any claims for reimbursement of expenses made by councillors during the quarter

An annual report on councillor direct expenses and claims for reimbursement will also be published in accordance with the Local Government Performance Reporting Framework for annual reporting. Details of all reimbursements will also be provided to the Audit and Risk Committee.

Definitions

Personal Expense	Where pre-approved expenses are incurred by councillors and officers and meet the requirements of the Policy for reimbursement. <i>They must be accompanied by an official tax receipt.</i>
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Responsibilities

Governance and Corporate Accountability	Maintain the Interstate and Overseas Travel Register	Ongoing
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Ensure legislative requirements are met, research; coordinate consultation, review and update of the Policy

Related Documents

- Councillor Code of Conduct
- *Local Government Act 2020*
- Councillor Code of Conduct
- Interstate and Overseas Travel and Accommodation Policy

Monitoring and Evaluation

Governance and Corporate Accountability will ensure that this Policy is reviewed as required.