

# Councillor Expenses Policy and Procedure

<b>Document type</b>	Council policy
<b>Classification</b>	Public
<b>Status</b>	Approved
<b>Author</b>	Senior Coordinator Governance and Advocacy
<b>Owner</b>	Council
<b>Approved by</b>	Council
<b>Date approved</b>	25 August 2020
<b>Version number</b>	Version 1
<b>Last reviewed</b>	NA
<b>Next review by</b>	25 August 2023
<b>Document suite</b>	Council Governance and Administration

## Document control disclaimer

Any amendments to this document may only be made by resolution of Council as required by section 11(2)(g) of the *Local Government Act 2020*.

Printed copies of this document are considered uncontrolled. Please refer to the [Corporate Document Library](#) on Council's website to access the most current version of this document.

## Purpose

This purpose of this Policy and Procedure is to:

- ensure Councillors and Delegated Committee members are provided with the necessary resources to enable them to perform their duties;
- describe the out-of-pocket expenses for which Councillors and members of Delegated Committees will be eligible to seek reimbursement;
- specify the procedure to be followed by Councillors and members of Delegated Committees in applying for reimbursement of expenses;
- describe how Council will comply with any requirements prescribed by the *Local Government Act 2020* (“the Act”) and associated regulations in relation to the reimbursement of expenses.

This Policy and Procedure is adopted under section 41 of the Act.

## Scope

This is a public policy intended to indicate to the municipal community how Council will fulfil its obligations under the Act. The policy applies to all Councillors. It also applies to staff who may be involved in the reimbursement of expenses.

## Policy statement

The objective of Council’s Councillor Expenses Policy is to:

- outline the resources which will be provided to Councillors and members of Delegated Committees
- formalise Council’s processes in relation to the reimbursement of Councillor and Delegated Committee member expenses
- provide advice and a framework for Councillors and Delegated Committee members in the conduct of their Council business
- provide transparency to the municipal community.

## Policy principles

### Resources and Facilities for Mayor and Councillors

Council will make available to the Mayor and Councillors the resources and facilities reasonably necessary to enable them to effectively perform their roles.

### Reimbursement of Expenses

Council will reimburse a Councillor or member of a Delegated Committee for reasonable out-of-pocket expenses where the expense:

- is a bona-fide expense;
- has been reasonably incurred in the performance of the role of Councillor or member of a Delegated Committee;
- is reasonably necessary for the Councillor or member of a Delegated Committee to perform that role.

### Reporting of Expenses

Regular reports on expenses and reimbursements incurred by Councillors and members of Delegated Committees, will be provided:

- to Council's Audit and Risk Committee
- to Council every quarter
- on Council's website.

### Reimbursement of Care-Related Expenses

Council will:

- provide for the reimbursement of child care costs where the provision of child care is reasonably required for a Councillor or member of a Joint Committee to perform their role;
- have particular regard to expenses incurred by a Councillor who is a carer in a care relationship within the meaning of section 4 of the *Carers Recognition Act 2012*.

### Additional Support

Council will:

- consider and have particular regard to the support that may be required by a Mayor, Deputy Mayor or Councillor or Delegated Committee member because of a disability;
- consider and have particular regard to the support that may be required by a Councillor or Delegated Committee member who is a carer in a care relationship within the meaning of section 4 of the *Carers Recognition Act 2012*.

## Responsibilities

The following Council departments and business units have direct and / or supporting responsibilities associated with this policy:

Councillors	Endorsement of this Policy under section 11(2)(g) of the <i>Local Government Act 2020</i> .
All staff and Councillors	Full compliance with this document, supporting procedures and other related documents.
Chief Executive Officer	<p>The application of this document across Council.</p> <p>Authorisation of other officers to, from time to time, fulfil any of the Chief Executive Officer's functions and duties under this Policy.</p> <p>Where another Officer is or other Officers are authorised to perform functions and duties under this Policy by the Chief Executive Officer, any reference in this Policy to the Chief Executive Officer is to be read as a reference to that Officer or those Officers.</p>
Councillor Support	Booking and administration of all Councillor expenses and reimbursements. This includes identifying suitable and affordably priced options and correctly recording expenses and reimbursements in Council's finance system.
Finance	Administration of the financial process, and extraction of quarterly expenses for reporting purposes.
Corporate Governance	<p>Provision of advice to the Chief Executive Officer in line with this Policy and execution of the Policy as requested or delegated to by the Chief Executive Officer.</p> <p>Provision of a quarterly report to Council of Councillor and Delegated Committee expenses and</p>

	reimbursements and once endorsed, publication of the reports on Council's website.
--	--

## Procedure

### General

The following general principles underpin this Procedure and the accompanying Policy:

- Administration and resolution of issues under this Policy and Procedure will reflect the highest standards of integrity and be undertaken in a manner that builds trust in Councillors, Delegated Committee members, Council and in the system of local government in Victoria;
- Councillors and Delegated Committee members are entitled to be reimbursed for expenses associated with activities that fall into the categories prescribed at section 40 of the *Local Government Act 2020* or as outlined in this Policy and Procedure. Other expenses incurred will be understood to be the individual's responsibility and will be incurred from Councillor allowances or personal contribution;
- To assist in implementation of this Policy and Procedure, Councillors and members of Delegated Committees will take all possible steps to clearly distinguish those activities which might reasonably be described as their duties as a Councillor or member of a Delegated Committee, from their personal activities;
- Councillors and members of Delegated Committees will seek to make use of Council-issued resources and support rather than incur personal expenditure while performing their duties;
- Councillors and members of Delegated Committees will be responsible for ensuring that where services are paid for directly by Council, any non-Council (private) expenditure incurred through those services shall be reimbursed. Reimbursement shall take place as soon as practicable but no later than 60 days after the expense had been incurred. For the avoidance of doubt, this does not apply to capped telephone billing plans where all calls and other charges are included in the plan and a Councillor does not exceed the cap;
- Councillors and members of Delegated Committees who incur traffic or parking fines while traveling to or from or while attending an event as part of their duties will not be eligible to seek reimbursement for that fine;
- Family members or any other persons accompanying a Councillor at any event, conference or in the course of Council-related travel will not be eligible to have

their expenses covered or reimbursed under this Policy except where this has been pre-approved by a resolution of Council.

## **Communications and Printing**

- On commencement of their term as Councillor, all Councillors will be provided with the opportunity to accept:
  - a mobile telephone;
  - a tablet device (iPad or similar);
  - a printer;
  - a keypad and mouse suitable for use with a tablet device.
- Other equipment may be issued to Councillors as required;
- All devices will be Council standard-issue;
- A Councillor will be eligible for one replacement per device over the course of a Council term where that device has been lost, stolen or broken;
- In the event that a device has been broken, the Councillor shall return it to Councillor Support, who will liaise with Council's Information Technology team to determine whether the device should be repaired or replaced;
- Any further replacements shall be at the expense of the Councillor unless otherwise determined upon review by the Chief Executive Officer;
- Where a device is deemed to be faulty, defective or has reached the end of its lifecycle it will be replaced at Council's expense and without counting toward the 'one replacement per device' rule;
- Devices will be replaced when they reach the end of their useable lifecycle, which is taken to be three years from purchase or as stated in the [Information Data Management and Security Policy](#), whichever period is longest;
- At the end of a Councillor's term or when they otherwise permanently cease to perform their duties as a Councillor:
  - all communications and printing equipment is to be returned to Council;
  - Councillors may be provided with the opportunity to "buy out" their communications and printing equipment. Prior to the purchase being executed the Councillor must return the equipment to Councillor Support to facilitate the removal of corporate information;
- All Councillors will be eligible to receive a monthly data plan that may be used to connect them to the Internet from both their mobile phone and tablet device;
- All Council and Delegated Committee agendas and minutes will be delivered to Councillors and members in electronic format;
- Agendas and minutes will not be provided in hardcopy format, in keeping with Council's commitment to environmental sustainability.

## **Stationery**

- Council will provide Councillors with standard stationery including:
  - Corporate name badge
  - Business cards
  - Diary/planner
  - Envelopes and writing implements
  - A4 paper for printing
  - Toner
- Requests for stationery will be received and processed by Councillor Support;
- Official letterhead will not be supplied to Councillors. Letterhead will only be used by Council officers and the Mayor.

## **Meals and Refreshments**

- Where Council and Committee Meetings are held at ordinary meal times, Council will provide suitable meals and refreshments, including options for Councillors with expressed dietary requirements;
- Alcoholic beverages will not be served at or before Council Meetings.

## **Mayoral Office**

The Mayor will be provided with office accommodation at Council's Civic Centre.

## **Councillor Support and Offices**

Councillors have access to Councillor Support staff and may access dedicated office accommodation at the Civic Centre.

## **Employee Assistance Program**

Councillors may make use of Council's appointed confidential employee assistance program / professional counselling service in order to help resolve both personal and Council-related problems that may impact on their capacity to undertake their role as a Councillor.

## **Indemnity Insurance**

Council will indemnify and keep indemnified each Councillor, member of a Delegated Committee and member of a Community Asset Committee against all actions or claims whether arising during or after their term of office in respect of anything necessarily done or reasonably done or omitted to be done in good faith:

- in the performance of a duty or a function or the exercise of a power under the Act, regulations, a local law or any other Act; or
- in the reasonable belief that the act or omission was in the performance of a duty or a function or the exercise of a power under the Act, regulations or a local law or any other Act.

## **Memberships and Professional Development**

- Professional development is an important and necessary investment to ensure that all Councillors have the knowledge and skills required to perform their duties to the best of their ability;
- Collective Council memberships of peak bodies and industry associations will be paid for as resolved and budgeted for by Council;
- Individual memberships to recognised sector-related bodies may be taken out where:
  - it is not practical to enter into a collective Council membership;
  - membership would be demonstrably beneficial to the Councillor in the performance of their duties;
  - membership is in keeping with the skills and attributes of the Councillor;
  - membership is not related to the principal occupation of the Councillor;
- The cost of any personal membership under this clause will be categorised as Professional Development and Training expenditure and subject to the limitations set out below;
- Attendance by Councillors at conferences, seminars and other professional development activities, as well as personal membership of professional associations and sector-related bodies, will be available up to a maximum annual expenditure (GST inclusive) of:
  - \$4,000 per annum, per Councillor
  - \$8,000 per annum for the Mayor;
- Formal training on technical skills and knowledge necessary to a Councillor's role that is provided for all Councillors directly by Council through induction and on a periodic basis will not form part of the Councillor or Mayor annual allocation but will still be reported on;
- Where specific training is provided for individual Councillors, this is considered an expense incurred by the Councillor and will appear in the quarterly report;
- Council previously paid to receive credits points as part of its membership of the Municipal Association of Victoria (MAV) which may continue to be used for any MAV Councillor Professional Development Training Program. The remaining credit points will be distributed equally to each Councillor, each term



and the points will be available to be used as payment for a program or course that a Councillor attends. This clause will remain in effect until each Councillor credit point balance is zero;

- Training booked using MAV points will nonetheless appear in the quarterly report;
- Individual budget allocations are not transferable between Councillors or for other purposes;
- The total cost for a Councillor's training and development expenditure per annum is not to exceed the budgeted amount unless Council resolves to fund the gap or the Councillor agrees to fund the gap;
- Unspent training and development funds may be accumulated for a maximum of two years, not including the final year of the Council term;
- No funds budgeted or accumulated prior to an election will be available to a Councillor who is subsequently re-elected;
- All training and development bookings and membership registrations will be administered by Councillor Support. Councillor Support will prioritise identifying the most affordable option available, including through the use of MAV points, discounts and other cost-savings mechanisms.

## **Transportation**

- Councillors will be provided with a parking permit for use across any applicable permit zones within the municipality. They may use this permit while performing Councillor duties. The parking permit is for the sole use of the Councillor and is not transferable;
- Councillors are encouraged to use public transport wherever possible when attending to their Councillor duties. When this is not practical, Councillors should select the next most cost-effective option;
- Councillors will be provided with access to reasonable travel options which may include Myki tickets, Cabcharge vouchers or membership of car share networks;
- Councillors will be eligible to seek reimbursement for use of rideshare services such as Uber;
- Councillors (aside from the Mayor, who may have access to a Mayoral Vehicle) will be entitled to seek reimbursement for kilometres travelled when using their personal vehicle to attend perform Councillor duties outside of the municipality. Reimbursement will be calculated according to the rate prescribed by the [Australian Taxation Office](#) at the time of travel. Councillors should refer to Council's [Private Motor Vehicle for Business Purposes Policy](#) for conditions of use.

## **Mayoral Vehicle**

- The Mayor will have the following options in relation to vehicle usage:
  - Use of their existing, privately-owned vehicle, with an entitlement to be reimbursed for bona-fide expenses on a monthly basis;
  - The provision of a monthly motor vehicle allowance of \$150;
  - The provision of a fully-maintained vehicle for the duration of the Mayoral term including all associated costs such as servicing, fuel and insurance;
- Where Option C is chosen, it will be selected from a list of vehicles supplied by Council in line by Council's Fleet Policy;
- The vehicle will remain the property of Council;
- At least 48 hours prior to the conclusion of the Mayoral term, the Mayoral vehicle must be returned to the Chief Executive Officer or a delegate so that it may be serviced, cleaned and detailed prior to the commencement of the incoming Mayor;
- Wherever possible, the Mayor should use the Mayoral vehicle in preference to other less cost-effective forms of transportation.

## **Travel**

- Where Councillors propose to travel interstate or internationally to attend a conference or seminar, the proposal must be approved by Council;
- A Councillor who is approved to attend an interstate or international event must provide a written report-back to Council by the third Council Meeting scheduled after their return from travel, outlining:
  - the purpose of the conference, seminar, event or study tour;
  - learning outcomes;
  - applicable benefits to Council;
  - issues for consideration by Council or Councillors;
  - conclusions and recommendations;
- Air travel will be booked by Councillor Support, who may elect to utilise the services of a reputable travel provider located within the municipal district;
- The standard of air travel will be economy class;
- Flexi-fares will not be purchased unless by prior consent from the Manager Finance;
- Councillor Support will book accommodation either at the conference hotel, or another nearby venue of an appropriate standard;
- Where practical, Councillors should not incur additional accommodation expenses by arriving at events the day before or staying an additional night.

The Councillor Support office may use their discretion in opting to refuse an expense claim for additional nights' accommodation or refer the matter to the Chief Executive Officer or to Council for determination;

- Meals and incidental daily expenses will be reimbursed up to the maximum rate established in Table 1 of the annual Australian Taxation Office [Determination for Reasonable Travel Expenses](#), subject to the production of receipts and subject to the prescribed event not including breakfast, lunch and/or dinner;
- Incidentals include such expenses as Cabcharge vouchers/rideshare reimbursement (other than those used in travelling to and from the airport or to a place where council-related business is to be conducted, which will be classified as transport expenses) and other reasonable out-of-pocket expenses related to the approved travel. Reimbursement of laundry expenses will only be payable if the trip exceeds five days. Hotel phone and internet services will not be reimbursed as a mobile phone and data plan have been provided to Councillors;
- Any tourism activities undertaken while travelling on Council business will be at the Councillor's own expense.

## **Entertainment**

- Councillors will be able to claim as a bona-fide expense attendance at ticketed, non-Council events where:
  - they have been invited
  - they are attending in their capacity as a Councillor
  - the event pertains to matters concerning local government or where local government representation is relevant and appropriate, OR
  - the event is being held for local fundraising or charitable purposes and attendance at the event would have a demonstrable benefit to the local community;
- Councillors will consider whether the event is appropriate, including by considering any potential for general or material conflict of interest;
- If there is no charge associated with a Councillor attending an event, the Councillor should refer to the Councillor Gift Policy (currently a corporate document known as the Gifts, Benefits and Hospitality Policy) to assess whether attendance at the event should be disclosed;
- Councillors may seek guidance from Councillor Support or the Chief Executive Officer as to the appropriateness of the event;
- Councillors will not be able to claim the cost of ticketed events for Councillors attending political party fundraisers;

- Reimbursement for attendance at events is to be subject to an annual budget established for that purpose;
- Councillors may not use their annual training and development allowance for attendance at events.

### **Clocktower and other Council-Run Entertainment Venues**

- Councillors are encouraged to actively support Council's arts and cultural events and arts centres;
- Councillors are entitled to two, non-transferable, complimentary tickets per show to any theatre performance conducted as part of the Clocktower Centre's Clocktower-Presented Theatre Season or at any other Council-operated facility;
- Bookings will be made by Councillor Support;
- The cost of the tickets at the publicly-advertised price will appear classified as entertainment expenditure in the quarterly report to Council.

### **Election Period**

During an Election Period, Councillors must comply with the Act and the Governance Rules (including the Election Period Policy). This includes the direction that no Council resources may be used for election purposes. This will apply both to their own candidature and when assisting in the candidature of others.

### **Claims for Reimbursement**

- All claims for reimbursement of bona fide out-of-pocket expenses incurred by a Councillor or member of a Delegated Committee must be submitted to Council within 60 days of incurring the expense;
- To enable Council to process a reimbursement, a Councillor or Delegated Committee member must:
  - Complete the Councillor Reimbursement Form;
  - Attach a tax invoice or tax receipt to support their claim, along with any other relevant supporting documentation e.g. the Travel Log or the Carer Expenses Record;
  - Sign the Councillor Reimbursement Form as verification of the amount paid;
  - Submit the completed claim for reimbursement directly to Councillor Support;
  - If requested by Council Administration, confirm that expenditure claimed has been incurred while performing their duties as a Councillor or Delegated Committee member;

- If requested by Council Administration, review and sign any other documentation required to verify that related expenses have been incurred while performing duties as a Councillor or Delegated Committee member, such as a Cabcharge Usage Form;
- All relevant forms will be accessed by Councillors via the Councillor Portal;
- In the event that the claim is lodged outside policy, e.g. outside the specified timeframe, the Chief Executive Officer may apply their discretion to honour the claim by considering the following:
  - Veracity of the claim
  - Reasons for any delay
  - Steps taken by the Councillor or Delegated Committee member to comply with this Policy and Procedure;
- Where a claim is lodged and the necessary documentation is not provided, or the amount of reimbursement is considered to be unreasonable, the Chief Executive Officer may refuse the claim or refer the matter to the Council for determination;
- Where an expense has been overpaid by Council, Council will advise the Councillor or Delegated Committee member so that the overpayment amount can be repaid under an arrangement determined in discussion with the Chief Executive Officer.

## Reporting

- In the interest of transparency and accountability, expenses paid by Council or reimbursed to Councillors or Delegated Committee members under this Policy and Procedure will be reported to Council and disclosed on Council's public website on a quarterly basis;
- Quality assessment will be undertaken to ensure the published expenses report is current and accurate at the time of reporting;
- Quarterly reports of Councillor and Delegated Committee member expenses will be posted to Council's website within seven days of being endorsed by Council, and will be maintained on the Council website for the term of the Council;
- Councillor expenses will be reported in the Annual Report of the Council in a manner consistent with applicable accounting and reporting standards.

## Definitions

A full list of definitions can be found in the [Corporate Glossary](#).

## Related legislation and reference sources

- [Local Government Act 2020](#)
- [Local Government Act 1989](#)
- [Carers Recognition Act 2012](#)

## Related Council documents

- [Councillor Code of Conduct](#)
- [Chief Executive Officer \(CEO\) Councillor and Staff Interaction Protocol](#)
- Community Engagement Policy (in development)
- Complaints Policy (currently an operational document known as the [Complaint Management Policy](#))
- Councillor Gift Policy (currently an operational document known as the [Gifts Benefits and Hospitality Policy](#))
- [Information Data Management and Security Policy](#)
- Fleet Policy (in development)
- [Governance Rules](#) (including the Election Period Policy)
- [Private Motor Vehicle for Business Purposes Policy](#)