



Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors Policy

Effective Date:	26 November 2018 by Council Resolution
Review Date:	26 November 2019
Version:	1
Division/Department:	Corporate Services/Governance & Council Support
Responsible Officer:	Manager - Governance & Council Support
HPE CM Record Number:	18/158623

Table of Contents

1	Part 1 – Introduction	3
1.1	Title and commencement of the Policy	3
1.2	Purpose of the Policy	3
1.3	Objectives and coverage of the Policy	3
1.4	Making and adoption of the Policy	3
1.5	Reporting Requirements	3
1.6	Legislative Provisions	4
1.7	Other Government Policy Provisions	4
2	Part 2 - Payment of Expenses	5
	General Provisions	5
2.1	Payment of expenses generally (principles and processes)	5
	Allowances and expenses	5
	Monetary limits for expenses	5
	No private benefit unless payment made	5
	No use of Council resources for political purposes	5
	Gifts and benefits to be of token value	5
	Participation, equity and access	6
	Approval arrangements	6
	Conferences, seminars and similar functions	6
	Overseas travel on behalf of Council	6
	Advance payments and reimbursement and reconciliation of expenses process	6
2.2	Specific expenses for Councillors	7
	Conferences, seminars, workshops and courses	7
	General travel arrangements and expenses	9
	Care and other related expenses	10
	Insurance cover	10
	Legal expenses and assistance	10
3	Part 3 – Provision of Facilities	11
3.1	Deputy Mayor and Councillors	11
3.2	Mayor	11
3.3	Electronic Equipment	12
3.4	Reimbursement of expenses incurred by the Mayor, Deputy Mayor and Councillors	12
3.5	Funding of additional facilities purchased by the Mayor, Deputy Mayor or Councillors	13
3.6	Sydney Eastern City Planning Panel (SECPP) Fees	13

1 Part 1 – Introduction

1.1 Title and commencement of the Policy

The title of this Policy is “Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors”. This amended Policy takes effect from [] November 2018.

1.2 Purpose of the Policy

The purpose of this Policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors. This Policy also ensures that the facilities provided to assist Councillors to carry out their civic duties are reasonable.

1.3 Objectives and coverage of the Policy

The objectives of this Policy are:-

- to provide clear guidelines on the scope and extent of expenses that may be claimed by, and the equipment and facilities that may be provided to, the Mayor, Deputy Mayor and Councillors;
- to provide an accountable and transparent process for the reimbursement of expenses incurred, or to be incurred, by the Mayor, Deputy Mayor and Councillors.

1.4 Making and adoption of the Policy

This Policy is made in accordance with the requirements of the Local Government Act 1993 and as adopted by Council. Any proposed amendments to this Policy will not take effect unless the proposed amendments have been placed on public exhibition with at least 28 days allowed for public submissions. Before adopting or amending this Policy, Council will consider any submissions made during the public exhibition period and may make changes to the Policy based on those public submissions.

1.5 Reporting Requirements

In accordance with Section 428 of the Local Government Act 1993, Council is required to include in each Annual Report the following information relating to this Policy:-

- the total amount of money expended during the year on providing the facilities and paying the expenses;
- additional information as required by the *Local Government (General) Regulation 2005*.

In accordance with Clause 217 of the *Local Government (General) Regulation 2005* Council is required to include the following additional information in each Annual Report.

Council is required to report separately on:

- the total cost of expenses and the provision of facilities for the Mayor and all Councillors, as well as:

Expenses:

- the cost of phone calls including mobiles, home located landlines, facsimile and internet services
- spouse/ partner/ accompanying person expenses
- conference and seminar expenses
- training and skill development expenses
- interstate travel expenses (including subsistence and out-of-pocket expenses)
- overseas travel expenses (including subsistence and out-of-pocket expenses)
- care and other related expenses (of dependents to enable a Councillor to undertake his or her civic functions), and

Provision of facilities:

- the cost of the provision of dedicated office equipment allocated to Councillors on a personal basis such as laptop computers, mobile phones, telephones and facsimile machines and internet installed in the Councillors' homes (including line rental and internet access). This item does not include the costs of using this equipment, such as calls.

1.6 Legislative Provisions

This Policy has been prepared and adopted in accordance with sections 23A, 252, 253 and 254 of the *Local Government Act 1993* and clause 403 of the *Local Government (General) Regulation 2005*.

In accordance with clause (1) (h) of Schedule 1 of the *Government Information (Public Access) Regulation 2009*, this Policy forms part of Council's open access information and is available to the public. Council provides access to the Policy through publication on the Council's website or by obtaining a copy from Council's Customer Service Centre.

Council reports on this Policy in accordance with section 428 of the *Local Government Act 1993* and clause 217 of the *Local Government (General) Regulation 2005*.

1.7 Other Government Policy Provisions

The following documents have also been taken into account during development of this Policy:

- The Model Code of Conduct for Local Councils in NSW – March 2013.
- Division of Local Government Circular 05/08 *Legal assistance for councillors and council employees*.
- Division of Local Government Circular 02/34 *Unauthorised use of council resources*.
- Independent Commission Against Corruption publication *No Excuse for Misuse, Preventing the misuse of council resources* (Guidelines 2) November 2002.

2 Part 2 - Payment of Expenses

General Provisions

2.1 Payment of expenses generally (principles and processes)

Allowances and expenses

No provision will be made for the payment in the nature of a general expense allowance to Councillors.

Monetary limits for expenses

This Policy includes monetary limits and standards applicable to the payment of various expenses to the Councillors. Including limits in this Policy allows members of the public to know the expected cost of providing services to the Councillors and to make comment during the public consultation phase of the making or amending this Policy.

Having clear limits also avoids situations where Councillors incur costs that are unforeseen or considered unreasonable by other Councillors and the public.

No private benefit unless payment made

Councillors are not to obtain a private benefit from the provision of equipment and facilities, nor from travel bonuses such as “frequent flyer” schemes or any other such loyalty programs while on Council business. However it is acknowledged that incidental use of Council equipment and facilities may occur from time to time. Such incidental private use is not subject to a compensatory payment back to Council.

Where more substantial private use does occur, the *Local Government Act 1993* provides that a payment may be made to cover the level of the private use.

No use of Council resources for political purposes

A person’s re-election, or the seeking of any political office, is considered to be a personal interest. Official Council material such as letterhead, publications, websites as well as council services and forums must not be used for such personal interests.

Situations in which the appearance may be given that these are being used for such purposes are also to be avoided.

The fundraising activities of political parties, including political fundraising events, are considered to be personal interests. Council will not pay expenses or provide facilities to Councillors in relation to supporting and/or attending such activities and events.

Gifts and benefits to be of token value

In circumstances where it is appropriate for Councillors to give a gift or benefit (for example, on a Council business related trip or when receiving visitors) these gifts and benefits should be of token value.

Participation, equity and access

Council's policy is designed to be non-discriminatory, equitable and encourage participation on Council from diverse backgrounds that represent the demographics of the local community.

This Policy contains provisions that encourage all members of the community from different walks of life, particularly under-represented groups such as those in primary caregiver roles, to seek election to Council by ensuring that they would not be financially disadvantaged in undertaking the civic duties of a Councillor.

Approval arrangements

Conferences, seminars and similar functions

Council shall meet expenses incurred by Councillors attending conferences, seminars and similar functions in any of the following circumstances:-

- attendance at conferences which are included in Council's budget provisions where the prior authority of the Mayor and General Manager has been obtained;
- attendance at seminars and similar functions subject to the availability of funds and only where local or domestic travel is involved and where the authority of the Mayor and General Manager has been obtained;
- attendance authorised by resolution of Council.

Where the Mayor is seeking approval to attend a conference, seminar or similar function the authority of the Deputy Mayor or another Councillor and the General Manager is required.

The Mayor may, however, nominate a substitute attendee in his or her stead for functions within the Council area or general Sydney Metropolitan Area on those occasions where the Mayor is unable to be in attendance.

Overseas travel on behalf of Council

Council should avoid international visits unless direct and tangible benefits can be established for the Council and the local community. If Council is proposing any overseas travel, detailed proposals should be developed, including nomination of the Councillors undertaking the trip, purpose of the trip and expected benefits. The duration and itinerary and approximate total costs of each proposed visit should also be provided.

Overseas travel must be approved at a full Council Meeting prior to the trip being undertaken.

Advance payments and reimbursement and reconciliation of expenses process

Councillors may request payment in advance in anticipation of expenses incurred through attending conferences, seminars and training away from home.

All advance payments must be reconciled within one month of the expense being incurred and any under expenditure must be reimbursed to Council.

All claims for reimbursement of expenses must include supporting documentation in the form of receipts or statutory declaration and be accompanied by a statement by the

Councillor that the expenditure was incurred as a direct result of them undertaking their duties as a Councillor.

2.2 Specific expenses for Councillors

Conferences, seminars, workshops and courses

Application

The conferences, seminars, workshops, courses and similar functions to which this Policy applies shall generally be confined to:

- Local Government New South Wales Annual Conferences.
- Special "one-off" Conferences called by Local Government New South Wales on important issues.
- Annual Conferences and Congresses of the major professions in Local Government.
- Seminars which further the training and development efforts of the Council, and are within the budget framework.

Council will determine an annual Budget allocation to fund attendance at conferences, seminars, workshops and similar functions.

For 2018/19 the Budget allocation for conferences is **\$10,000** (ex GST) and for seminars, workshops and similar functions is **\$10,000** (Ex GST).

However Council may agree to allocate additional funds in specific cases where it decides that there is a benefit to Council from the attendance.

Registration

Council will pay all normal registration costs which are charged by organisers, including those relating to official luncheons, dinners and tours which are relevant to the interests of the Council.

Costs incurred

Payment or reimbursement of costs incurred shall be subject to the following requirements:

- a) the travel is on Council business, including:
 - travel outside the Municipality, undertaken in compliance with a resolution of the Council; or
 - to and from the periodical conferences and seminars of the Local Government related Organisations (generally as listed above);

- b) only reasonable allowances are claimed or accepted towards necessary out-of-pocket expenses;
- c) the travel is undertaken with all due expedition, and by the shortest route;
- d) any time occupied in other than Council business is not included in the calculation of expenses to be paid; and
- e) the claim is made no later than three months after the expenses were incurred, and upon a voucher form for payment.

Subject to the above provisions:

i. Travel

Local Travel:

All reasonable travel costs will be met by Council. Where appropriate, travel will be provided by air (economy class). Depending upon the circumstances, it may be more appropriate for travel to be undertaken by train or car.

Where trains are used the Council will provide first class travel, including sleeping berths where necessary.

Travel by motor vehicle may be undertaken by Council vehicle (where available) or by private vehicle subject to prior approval. Councillors using private vehicles will be paid the normal "kilometres travelled" allowance at the current rate set by the appropriate industrial Award from time to time, but subject to such cost not exceeding economy class air fares to and from the particular destination.

Costs of vehicle hire and/or taxi fares which are reasonably incurred while attending conferences will be reimbursed by the Council.

Councillors may claim reimbursement for public transport fares to and from official Council meetings and functions and when representing the Mayor at official appointments.

Overseas travel:

Any overseas travel is required to be approved by resolution of Council. Details of any overseas travel must also be included in the Council's Annual Report.

ii. Accommodation

Reasonable accommodation costs (including meals) including the night before and/or after the conference where this is necessary will be met by the Council.

Delegates will be accommodated in the hotel/establishment where the conference or seminar is held, or another nearby and suitable hotel/establishment of a similar standard. The accommodation is to be of an acceptable standard at the rate of a double room for each Councillor.

iii. Out of pocket and incidental expenses

Reasonable out of pocket or incidental expenses associated with Councillors attending conferences, seminars, workshops and courses will be reimbursed to Councillors to the limits set out in Table 3 of the Australian Tax Office Taxation Determination TD 2018/11 (*Income tax – what are the reasonable travel and overtime meal allowance expense amounts for the 2018-19 income year*) or such other determination or policies of the Australian Taxation Office that supersedes it.

Submission of a claim form that includes an itemised account of the expenditure is required for all claims for reimbursement.

Incidental expenses include items such as:-

- telephone, internet or facsimile calls,
- refreshments,
- laundry and dry cleaning,
- newspapers,
- taxi fares and parking fees.

iv. Delegates accompanied by spouses/partner.

Where a Councillor is accompanied by his or her spouse/partner the Councillor will pay all costs associated with the spouse/partner's attendance.

General travel arrangements and expenses

All travel by Councillors should be undertaken using the most direct route and the most practicable and economical mode of transport.

Each Councillor may be reimbursed up to a total of **\$750** per year, and the Mayor may be reimbursed up to a total of **\$750** per year, for travel expenses incurred while undertaking official business or to attend Council or Committee meetings at Redleaf Council Chambers.

This includes reimbursement:

- for public transport fares
- for the use of a private vehicle or hire car
- for parking costs for Council and other meetings
- for tolls
- for taxi fares (upon request a maximum of four Cabcharge dockets will be issued by the Manager Governance & Council Support to a Councillor at any one time. No further tickets will be issued until all receipts associated with previously issued tickets have been submitted).
- for documented ride-share programs, such as Uber, where tax invoices can be issued.

Allowances for the use of a private vehicle will be reimbursed by kilometre at the current rate set by the appropriate industrial Award from time to time.

Councillors seeking to be reimbursed for use of a private vehicle must keep a log book recording the date, distance and purpose of travel being claimed. Copies of the relevant log book contents must be provided with the claim.

Care and other related expenses

Councillors will be reimbursed for reasonable costs of care arrangements, including Childcare expenses and the care of elderly, disabled and/or sick immediate family members of Councillors incurred in attending Council meetings, Committee meetings, workshops, briefing sessions and official site inspections relating to Council's operations.

Councillors will be reimbursed for expenses associated with the cost of care paid to providers other than immediate family members, spouse or partner up to 1 hour before and after such meetings (based on advertised commencement times) subject to the production of appropriate documentation/receipts.

The maximum entitlement for reimbursement for each Councillor is **\$3,300** per annum (July to June).

Insurance cover

Councillors are to receive the benefit of insurance cover for:

- a) personal injury whilst on Council business, the cover does not include medical expenses;
- b) professional indemnity for matters arising out of Councillor's performance of civic duties or exercise of their functions as Councillors, provided the performance or exercise of the relevant civic duty is, in the opinion of Council, in good faith or proper. But subject to any limitations or conditions set out in the policy of insurance which is, at the direction of Council, taken out;
- c) public liability for matters arising out of Councillor's performance of civic duties or exercise of their functions under the Act. But subject to any limitations set out in the policy of insurance which is, at the direction of Council, taken out.

Legal expenses and assistance

Council will indemnify or reimburse the reasonable legal expenses of:-

- a) A Councillor defending an action arising from the performance, in good faith, of a function under the *Local Government Act 1993*; or
- b) A Councillor defending an action in defamation, provided that the outcome of the legal proceedings is favourable to the Councillor.

Council will indemnify or reimburse the reasonable legal expenses of a Councillor for proceedings before the Local Government Pecuniary Interest Tribunal or an investigative body provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the Tribunal or the investigative body makes a finding substantially favourable to the Councillor.

Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her functions under the Act should be distinguished from expenses incurred in relation to proceedings arising merely from something which a Councillor has done during his or her term of office.

Council will not provide legal assistance in respect of legal proceedings initiated by the Mayor and/or Councillors.

3 Part 3 – Provision of Facilities

3.1 Deputy Mayor and Councillors

The Councillors, including the Deputy Mayor, are to receive the benefit of:

- use of official stationery;
- typing of official correspondence;
- postage of official correspondence – all mail is to be directed through the Council's own mailing system. Reimbursement of expenses will only be made where expenses can be verified;
- meals at Council Meetings, Committee Meetings, working party meetings and workshops;
- transport to official functions (if needed) when deputising for the Mayor; and
- e-mail account on Council's IT system.

3.2 Mayor

In addition to those facilities provided to the Councillors, the Mayor is to receive the benefit of:

- the use of a prestige Council vehicle and driver for official purposes;
- secretarial services;
- administrative assistance associated with functions, meetings and the like;
- office refreshments;
- a mobile telephone;
- Mayoral Office; and
- light refreshments.

Council has allocated the following amounts in its 2018/19 budget, as a total amount for the period, to fund the provision of facilities to the Mayor, Deputy Mayor and all Councillors:

- Goods and Services: \$2,000
- Printing and Stationery: \$2,000
- Motor vehicle costs: \$7,386
- Catering: \$20,000

3.3 Electronic Equipment

For use in conjunction with official Council duties, the Mayor, Deputy Mayor and Councillors will be provided, if requested, with:

- an iPad;
- appropriate software and annual maintenance;
- wireless internet access with a monthly download limit of 4GB;
- operational support from Council's Information Technology Department.

Costs for downloads in excess of 4GB per month will be the responsibility of the Councillor.

The provision and use of the equipment shall be in accordance with this Policy and Council's:

- Computer Systems Usage Policy and
- Code of Conduct.

To ensure the efficiency of the equipment, the iPads will be replaced every 2 years.

The iPad issued to Councillors remain the property of Council. Councillors may, however, purchase the iPad that has been issued to them from Council following each biennial replacement of the equipment at a residual value to be determined by the General Manager.

Ownership of the iPad will transfer to the Councillor following full payment of the residual value of the equipment.

If a Councillor does not elect to purchase the equipment, the equipment is to be returned to Council within 30 days of the Councillor ceasing to be a Councillor or upon receipt of the replacement equipment.

3.4 Reimbursement of expenses incurred by the Mayor, Deputy Mayor and Councillors

The Mayor, Deputy Mayor or Councillors may claim reimbursement of the following expenses up to a maximum of \$200 per month (per Councillor):

- Fixed line rental for landline and/or fax lines.
- Mobile phone calls.
- Home Internet usage.

All claims for reimbursement must be accompanied by appropriate documentation/receipts.

Council has allocated an amount of \$36,000 in the 2018/19 Budget, as a total amount for the period, to fund the reimbursement of care and other related expenses and the above fixed line, fax line, mobile phone and home internet expenses.

3.5 Funding of additional facilities purchased by the Mayor, Deputy Mayor or Councillors

The Mayor, Deputy Mayor or Councillor may wish to purchase additional facilities to assist them with their civic duties. To aid Councillors with the purchase of the additional equipment which may otherwise place an undue financial disadvantage on a Councillor, Council will, upon written request of a Councillor, purchase the additional equipment with all costs associated with the purchases being repaid to Council through deductions from that Councillors allowance. All costs associated with any purchases under this clause of the Policy must be repaid by the end of the Council term in which the purchases have been made.

Facilities to be funded in this manner include:

- personal or lap top computers;
- printers;
- facsimile machines;
- mobile telephones;
- answering machines and
- land lines and/or Internet broadband installation and usage charges.

The Mayor, Deputy Mayor or individual Councillor will be the owner of any equipment purchased under this clause of the Policy and will be responsible for all consumable and maintenance/repair costs associated with the equipment.

Note: Council is only entitled to claim a credit for GST paid on these facilities to the extent that they will be used for Council business. In order to claim the GST credit a declaration will be required from Councillors stating what proportion of usage of these facilities is for Council business.

3.6 Sydney Eastern City Planning Panel (SECPP) Fees

Remuneration paid to Councillors appointed by Council to the SECPP is to be paid in accordance with clause 6 of Schedule 2 of the *Environmental Planning and Assessment Act 1979*.

Clause 6 states:

A member is entitled to be paid such remuneration (including travelling and subsistence allowances) as the Minister may from time to time determine in respect of the member.

The Minister for Planning's decision, included in correspondence sent to all councils in NSW on 24 July 2009, was to allow each council to determine the rate of remuneration for their members.

The Minister's decision included the following:

“As councillors already receive an annual fee set by the Local Government Remuneration Tribunal each year for performing their councillor duties, an additional per meeting fee of no more than \$600 appears reasonable, recognising that membership of the Regional Panel will bring additional responsibilities.”

At the meeting held on 23 August 2010 Council resolved to adopt a fee of \$600 for Councillors attending formal meetings of the Joint Regional Planning Panel (now known as the SECPP).

Policy Amendments

Date	Responsible Officer	Description