



INDIGO SHIRE COUNCIL

COUNCILLORS & SPECIAL COMMITTEE MEMBERS SUPPORT AND EXPENSES POLICY

Date resolved by Council: 9 March 2010

Review date: 2013

Revocation date:

Responsible department: Governance & Risk

PART A – COUNCILLORS SUPPORT AND EXPENSES POLICY

1. OBJECTIVE

To set out a Councillor's entitlement for:

- reimbursement by Council of reasonable bona fide Councillor out-of-pocket expenses incurred while performing duties as a Councillor;
- payment by Council of reasonable bona fide expenses to enable Councillors to perform their duties; and
- provision of facilities and resources by Council to assist Councillors in the performance of their duties.

2. BACKGROUND

- 2.1 This Policy gives a broad overview of how a Council can give assistance to its Councillors in carrying out their functions. It does not attempt to prescribe for every possible situation that may arise.
- 2.2 As well as legislation, there is an information guide issued by the Department of Planning and Community Development that outlines the entitlements and support to be provided to Mayors and Councillors.
- 2.3 The information guide is titled "Mayor and Councillor Entitlements reimbursement of expenses and provision of resources and facilities support for Victorian Mayors and Councillors November 2008". The Guide (see attachment) prescribes the minimum toolkit for expenses, support and resources for Councillors.
- 2.4 Mayoral and Councillor allowances are provided separately to reimbursement of expenses and the costs of facilities/resource support.
- 2.5 Where this Policy is satisfied and a Councillor has incurred an out-of-pocket expense they must be reimbursed by Council.

3. DETAILS

3.1 Travelling Expenses

- a) Council will reimburse all reasonable costs associated with travel related to attendance at:
- b) Council and Special Council meetings, and meetings of Committees of Council;

- c) Councillor briefings and meetings with Council staff;
- d) Council civic and ceremonial functions;
- e) meetings, events or occasions attended in the capacity as a Councillor;
and
- f) any other event as agreed by the Mayor or resolution of Council.

3.1.2 All overseas travel will be considered and determined by resolution of Council.

3.1.3 Travel reimbursed by Council will be for:

- a) public transport;
- b) taxi; and
- c) private vehicle – reimbursement of motor vehicle expenses shall be by cents per kilometre at the rate reimbursed to Council employees for use of a private vehicle.

3.1.4 Instead of reimbursement made under 3.1.3, Council can provide:

- a) cab charge card or vouchers for travel by taxi; or
- b) a Council pool vehicle (subject to availability) to be arranged with the Chief Executive Officer or delegate.

3.1.5 The conditions below will be applied to determine the amount of travel-related expenses that will be reimbursed or paid for:

- a) travel must be undertaken as quickly as possible and by the shortest route possible;
- b) any time occupied in other than authorised Council business is not to be included in the calculation of any expenses to be reimbursed or paid;
- c) claims will only be paid on the basis of the actual form of transport used;
and
- d) where travel is by air, the standard form of travel will be economy class.

3.1.5 The Chief Executive Officer will approve payment for all discretionary trips and interstate travel up to the amount allotted to each Councillor in the annual budget.

3.2 Support for the Mayor – Mayoral Vehicle

Where Council resolves to provide a vehicle to the Mayor and the Mayor accepts such a vehicle, Council will provide a fully maintained vehicle (including Fringe Benefits Tax) to the standard specified by the Council at the time at no cost to the Mayor.

3.3 Support for Councillors:

- 3.3.1 Stationery; The Council shall, upon request, provide Councillors with standard stationery held or obtained generally for the organisation's requirements. The stationery may include, but not necessarily be limited to, paper, writing implements, diaries, writing pads/books, computer discs and paper, toner cartridges, envelopes and the like.
- 3.3.2 Name Badges; Each Councillor will be provided with a Council name badge for use while undertaking Council business.
- 3.3.3 Business Cards; Each Councillor will be provided with a Councillor business card (standard organisational format) for use while undertaking Council business.
- 3.3.4 Meals/Refreshments; Where Council or Committee meetings are held at times which extend through normal meal times, Council will provide suitable meals/refreshments served on the premises.

3.4 Conferences, Professional Development and Training

- 3.4.1 The Indigo Shire Council is committed to helping Councillors meet their training and professional development needs relating to their Councillor role and duties.
- 3.4.2 Councillors attending relevant conferences and seminars shall have all reasonable expenses for travelling, transport, accommodation (Standard Room accommodation and Government rate from schedule of agreed Hotels in Melbourne CBD), registration fees and meals, and other out-of-pocket expenses reimbursed or paid on their behalf.
 - a) Alcohol, bar fridge and other like hospitality costs are personal expenses and will be the individual Councillors responsibility to pay.
 - b) In relation to Councillors travelling accompanied, material differences in accommodation costs will be the responsibility of the Councillor.
- 3.4.3 Councillors may also be reimbursed for professional development including study expenses incurred, subject to pre-approval by the Mayor in consultation with the Chief Executive Officer.
- 3.4.4 If the professional development or study expenses, subject to pre-approval are over the amount of \$1,200.00, approval must be sought at an Ordinary Meeting of Council. If approval is required on an urgent basis or sought under exceptional circumstances, pre-approval is to be obtained by the Mayor in consultation with the Chief Executive Officer.

- 3.4.5 Development programs and initiatives may be available to all Councillors collectively or individually.
- 3.4.6 Conferences, professional development and training expenditure should always be tested against the following criteria:
- is in the interest of the Indigo Shire Council community;
 - meets the budget determined by Council;
 - clearly offers and promotes public benefit, as distinguished from private benefit;
 - is directly relevant to the Councillor's role; and
 - takes place and is able to be utilised during the Councillor's term of office.
- 3.4.7 The budget allocated for the Councillors to attend conferences, professional development and training, shall be divided by the number of Councillors (7), plus one. So that each Councillor will be allocated a budget which is one eighth of the total. If a Councillor is to exceed their personal budget allocation for conferences, professional development and training the Mayor is required to approve such expenditure prior to it occurring. If sufficient funds are not available within the budget, Councillors may attend conferences, professional development and training at their own expense.
- 3.5 Reimbursement of Child Care Expenses
- 3.5.1 Council will reimburse all reasonable costs associated with necessary child care for their immediate family incurred to attend:
- a) Council and Special Council meetings, and meetings of Committees of Council;
 - b) Councillor Briefings and meetings with Council staff;
 - c) Council civic and ceremonial functions;
 - d) meetings arising as a result of a Councillor being appointed by the Council to an external body;
 - e) meetings, events or occasions attended in the capacity as a Councillor; and
 - f) any other event as agreed by the Chief Executive Officer or resolution of Council.
- 3.5.2 Reimbursement is subject to the following conditions:
- a) that the hourly rate is reasonable;

- b) each claim for reimbursement shall be substantiated by a receipt from the caregiver showing the name of the provider dates and times the care was provided, the rate per hour and why the childcare service was required;
- c) child care costs are not eligible for reimbursement if paid to a person who normally or regularly resides with the Councillor; and
- d) all reimbursement claims are to be made on the appropriate form.

3.6 Councillor Support – Information Technology Expenses

Councillors will be provided with the following equipment, noting that the Council will pay all connection fees, rental charges and all Council business call charges:

- mobile phone;
- telephone;
- personal computer (desk top or laptop);
- modem;
- printer/fax;
- standard operating software;
- internet access; and
- Next G wireless card, or similar (shared basis).

4. CLAIMS FOR REIMBURSEMENT

- 4.1 In accordance with section 75 (1) (a) of the *Local Government Act 1989*, every claim for reimbursement must be lodged in writing. To comply with this requirement, Councillors are to complete either the Expense Reimbursement Form or the Use of Own Vehicle Expense Claim Form and submit it to the Chief Executive Officer or delegate for authorisation, noting and payment.
- 4.2 Councillors are to provide receipts and/or tax invoices for any expenses incurred. Receipts/tax invoices are to be submitted with the Expense Reimbursement Form. If receipts cannot be produced, Councillors may be required to provide a Statutory Declaration.
- 4.3 In accordance with the requirement of section 75 (1) (b) of the *Local Government Act 1989*, Councillors should establish that the expenses were reasonable, bona fide, out-of-pocket expenses incurred while performing duties as a Councillor.
- 4.4 Claims are to be submitted monthly and within three (3) months of the expense being incurred.

5. GENERAL PROVISION

- 5.1 Council resources should not be used for non-Council related activities or the purpose of Election campaigning for Councillors.
- 5.2 If a Councillor is not satisfied with the decision of the Mayor in relation to the reimbursement of expenses, they may raise it at the next Ordinary Meeting of Council as general business for the Council to consider.

PART B – REIMBURSEMENT TO MEMBERS OF SPECIAL COMMITTEES

1. OBJECTIVE

To enable a member of a Special Committee to apply for reimbursement of necessary out-of-pocket travelling expenses.

2. BACKGROUND

The Local Government Act states that a Council may reimburse members of Council Committees for necessary out-of-pocket expenses incurred while performing duties as a Committee member.

3. DETAILS

3.1 Travelling expenses

At the discretion of the Chief Executive Officer (CEO), Council may reimburse to a member of Special Committees reasonable costs associated with travel related to attendance at the meetings. Any request for travel expenses must be pre-approved by the CEO or delegate.

3.2 Conferences, Professional Development and Training

Members of Special Committees may also be reimbursed for professional development including study expenses incurred subject to pre-approval by the Chief Executive Officer.

4. CLAIMS FOR REIMBURSEMENT

4.1 Members of Special Committees are to complete an Expense Reimbursement Form and submit it to the Chief Executive Officer or delegate for authorisation, notice and payment.

4.2 Members of Special Committees are to provide receipts and/or tax invoices for any travel expenses incurred. Receipts/tax invoices are to be submitted with the Expense Reimbursement Form. If receipts cannot be produced, members of Special Committees may be required to provide a Statutory Declaration.

4.3 Claims approved are to be submitted monthly.

PART C – GENERAL CONDITIONS

1. REVIEW OF POLICY

- 1.1 This Policy continues to have effect until amended by the Council.
- 1.2 This Policy must be reviewed within 12 months of a Council General Election.

COUNCILLORS/SPECIAL COMMITTEE MEMBERS GENERAL EXPENSE REIMBURSEMENT

MONTH

20

NAME: _____

ACCOMMODATION & MEALS (attach receipts)	"R" or "T"	DATE	AMOUNT \$			
(Describe function and whether Representation or Training)						
				SUBTOTAL	M&CRS Expenses	AMOUNT
				ACCOUNT #		
					GST	
					\$	
				SUBTOTAL	Training	AMOUNT
				ACCOUNT #		
					GST	
					\$	
TELEPHONE & FAX EXPENSES (attach accounts)	DATE	RENTAL@50%	CALLS@50%			
		\$	\$			
PHONE NUMBER						
FAX NUMBER				SUBTOTAL		AMOUNT
				ACCOUNT #		
PHONE NUMBER					GST	
FAX NUMBER					\$	

TRAVEL REIMBURSEMENTS (attach receipts)	"R" or "T"	DATE	AMOUNT \$			
(To be reimbursed via payroll system)						
				SUBTOTAL	M&CRS Expenses	AMOUNT
				ACCOUNT #		
					GST	
					\$	
				SUBTOTAL	Training	AMOUNT
				ACCOUNT #		
					GST	
					\$	

Signed: Applicant	Date:	TOTAL CLAIMED	\$
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Signed: Mayor/CEO Date: _____ Processed: _____ Date: _____

Information Guide

Mayor and Councillor Entitlements

reimbursement of expenses and provision
of resources and facilities support for
Victorian Mayors and Councillors

November 2008

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Mayoral and Councillor entitlements**
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Supporting awareness of Mayoral and Councillor entitlements

This Information Guide is to assist Councils, Council staff and the community understand the entitlements of Mayors and Councillors with respect to expenses reimbursement and the provision of facilities and resources support.

Councils are encouraged to promote this Information Guide on their websites to better inform the Council, Councillors, the community and the media of Mayoral and Councillor entitlements and where they are referenced in policy or legislation.

Council policies on Councillor expenses reimbursement and facilities and resources support are required to be published on Councils' websites under section 82A (2) (c) of the *Local Government Act 1989*.

The Information Guide describes the minimum toolkit of support and what is prescribed under the following:

- *Recognition and Support, the Victorian Government's Policy Statement on Local Government Mayoral and Councillor Allowances and Resources April 2008* (Recognition and Support).
- *Local Government Act 1989* (the Act) as amended by the *Local Government (Councillor Conduct and Other Matters) Act 2008*

In addition, the Information Guide also describes the principles that are to guide the application of entitlements provided by policy and legislation.



Policy and legislative arrangements

Policy arrangements- Recognition and Support, the Victorian Government's Policy Statement on Local Government Mayoral and Councillor Allowances and Resources

Recognition and Support prescribes the following as a “minimum toolkit” for expenses, support and resources. Section 75C of the Act allows for these to be further prescribed in the *Local Government (General) Regulations 2004* (refer Appendix 1):

Resources/facilities mandatory

- Administrative support for the Mayor
- Office for Mayor
- Vehicle for Mayor
- Computer – desktop or laptop
- Mobile phone and landline
- Stationery
- Access to fax/copier
- Website development as part of Council website*

Reimbursement

- Travel - including reimbursement of public transport costs
- Phone –re-imbusement of relevant call costs
- Internet
- Child care/family care

And that as a matter for Council determination the following be considered

- Access to pool car for Councillors
- Office space and furniture

**In accordance with Principle 2 website development is intended to facilitate participation and access between councillors and the community. For some Councils this can simply mean developing their websites to include information about councillors, contact details and useful links. For others it could mean developing more sophisticated forms of e-democracy and online avenues of engagement.*

Under Principle 4, the response by Councils to website development is expected to be an individual one based on local circumstances.

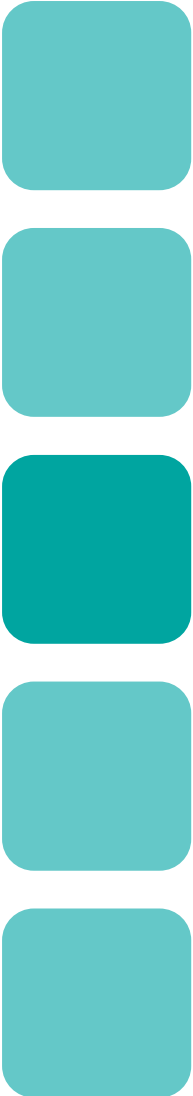
Legislative arrangements- *Local Government Act 1989*

The relevant sections of the *Local Government Act 1989* concerned with the reimbursement of expenses and provision of the minimum of resources and facilities support are listed below and detailed at Appendix 1):

- S75 *Reimbursement of expenses of Councillors*
- S75A *Reimbursement of expenses of members of Council Committees.*
- S75B *Councillor reimbursement policy*
- S75C *Resources and facilities for Councillors*

Requirement for Council website

- S82A *Council must maintain an internet website.*



Principles

1 Councillor conduct principles

Sections 76B and 76B A of the *Local Government Act* cover Councillor Conduct Principles. Details are included at Appendix 2 and include the requirements for Councillors to:

- act honestly and avoid statements whether oral or in writing or actions that will or are likely to mislead or deceive a person,
- endeavour to ensure that public resources are used prudently and solely in the public interest,
- act lawfully and in accordance with the trust placed in him or her as an elected representative, and
- support and promote these principles by leadership and example and act in a way that secures and preserves public confidence in the office of Councillor.

2 Encouraging diversity in participation, equity and access

Councillors operate in a complex environment and bring unique skills and insights to the role.

Diversity in participation and access to local representation contributes to well-informed decision making involving the community.

It is important that the Councillor role attracts and retains a wide cross section of people, particularly those from under-represented groups such as women, young people, those with disabilities and those in primary caregiver roles (whether of children, the disabled and the aged/infirm).

Councillors need to be accessible to a wide range of constituents and to stay informed about issues in their communities is an important part of the role. Use of the Internet is now essential to facilitate access.

Councillors are to be supported in undertaking their duties by assuring that reimbursement of expenses and access to resources support are provided in an equitable manner to cater for the full participation of all Councillors in Council business and with their communities, while also recognising individual needs and circumstances.

The Councillor role involves attendance at formal Council meetings and participation in community activities. Where these are part of the duties that are in within the scope of s75 (2) of the Act,(i.e. 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), all Councillors are entitled to the toolkit of support described above and as allowed to be prescribed under section 75C of the Act.

3 Accountability, transparency and community acceptance

In line with section 75B of the *Local Government Act 1989* Councils must adopt and maintain a policy in relation to the reimbursement of expenses for Councillors and members of Council committees.

Policies are required to cover the types of expenses and prescribed procedures for reimbursement and substantiation (section 75 (1) and (2)).

Individual Council policies should, in addition to providing expenses reimbursement, adequately reflect the basic toolkit and toolkit of resources and facilities entitlements available to all Mayors and Councillors.

Individual Council policies should be sufficiently flexible and tailored to allow Councils to determine what they can afford to provide for beyond the minimum toolkit and what is acceptable to their communities.

The overriding principle to be addressed in the development of a Council expenses reimbursement policy is that the details and range of benefits provided to Councillors by the Council should be clearly stated and be fully transparent and acceptable to the local community.

In the interests of accountability and transparency, s 75 B (3) requires that Council policies on expenses reimbursement are required to be available for inspection at Council Offices.

4. Local flexibility according to complexity, needs and standards

It is a basic cost of governance that all Councils should provide for the reimbursement of expenses as stated in this Information Guide and the basic toolkit - regardless of individual circumstances.

This Information Guide reflects the minimum standard 'toolkit' for the provision of reimbursement of expenses and for the provision of resources and facilities support for all Mayors and Councillors.

It is the responsibility of Councils to establish and define an appropriate and reasonable level of provision beyond the minimum that would enable Councillors to effectively carry out their civic role.

Provision for support beyond the reimbursement of expenses entitlements and the minimum toolkit needs to recognise the differences between Councils.

Differences include levels of complexity of a Council – indicated by its population size and growth and in the financial circumstances of a Council in terms of its revenue base. The local/regional economic and development environment is also important.

Levels of complexity are broadly reflected in the three categories of the Victorian Mayoral and Councillor allowances model under *Recognition and Support*.

It is expected that unique individual circumstances and the allowances Category of a Council will have a bearing on the needs of different Councils and this would be reflected in the scale, scope and nature of expenses, resources and facilities support provided over and above the minimum toolkit.

Councils may determine their own rates of expenses and provision of resources and facilities support over and above those described in this Information Guide as long as they conform to legislative and statutory requirements, or accepted benchmarks and standards applied in the Sector.

5 No disadvantage - separation of allowances from reimbursement of expenses and provision of resources and facilities support

Under section 74B of the Act, Mayoral and Councillor Allowances are provided separately to reimbursements of expenses and the costs of facilities/resources support. These allowances are further described in *Recognition and Support* and given effect through the 25 November 2008 Order in Council.

Accordingly, Mayors and Councillors' allowances must not be used to subsidise their entitlements and resources and facilities support provided by policy and legislation.

Any provision of other 'general expenses/allowances' unrelated to actual expenses incurred or to annual allowances provided by the Act, and which could be designed to supplement Councillors' annual allowances entitlements under the *Local Government Act 1989* is not permitted.



Approval arrangements

Approval is required for all Councillors undertaking discretionary trips and interstate travel and attendance at conferences.




At a minimum the Chief Executive Officer should be the approval authority in accordance with the Council's predetermined policy. All overseas travel should be by resolution of full Council.



The Council's policy should specify any additional approval arrangements required by the Council.





Appendix 1: Legislative requirements – expenses reimbursement and facilities/resources support

S75 Reimbursement of expenses of Councillors

- (1) A Council must reimburse a Councillor for expenses if the Councillor –
 - applies in writing to the Council for reimbursement of expenses; and
 - establishes in the application to Council that the expenses were reasonable bona fide Councillor out-of-pocket expense incurred while performing the duties of a Councillor.
- (2) In this section, **duties as a Councillor** means 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.

S75A Reimbursement of expenses of members of Council Committees.

A Council may reimburse members of council committees for necessary out-of-pocket expenses incurred while performing duties as a committee member.

S75B Councillor reimbursement policy

- (1) A Council must adopt and maintain a policy in relation to the reimbursement of expenses for Councillors and members of Council Committees.
- (2) A policy adopted by Council under this section must be consistent with-
 - (a) the prescribed types of Councillor out-of-pocket expenses that must be reimbursed if the expenses are reasonable and bona fide; and
 - (b) the prescribed procedures to be followed by Councils in relation to the reimbursement of out-of-pocket expenses.
- (3) A Council must keep a copy of the policy adopted and maintained under this section available for inspection at the office of the Council

S75C Resources and facilities for Councillors

A Council must make available for the Mayor and the Councillors the minimum resources and facilities prescribed for the purposes of section

(Note: Minimum facilities and resources support are prescribed in the policy *Recognition and Support*, and are described earlier in this document under Policy and legislative arrangements).

Appendix 2: Legislative requirements – Councillor Conduct Principles

76B Primary principle of Councillor conduct

It is a primary principle of Councillor conduct that, in performing the role of a Councillor, a Councillor must—

- (a) act with integrity; and
- (b) impartially exercise his or her responsibilities in the interests of the local community; and
- (c) not improperly seek to confer an advantage or disadvantage on any person.

76BA General Councillor conduct principles

In addition to acting in accordance with the primary principle of Councillor conduct specified in section 76B, in performing the role of a Councillor, a Councillor must—

- (a) avoid conflicts between his or her public duties as a Councillor and his or her personal interests and obligations;
- (b) act honestly and avoid statements (whether oral or in writing) or actions that will or are likely to mislead or deceive a person;
- (c) treat all persons with respect and have due regard to the opinions, beliefs, rights and responsibilities of other Councillors, council officers and other persons;
- (d) exercise reasonable care and diligence and submit himself or herself to the lawful scrutiny that is appropriate to his or her office;
- (e) endeavour to ensure that public resources are used prudently and solely in the public interest;
- (f) act lawfully and in accordance with the trust placed in him or her as an elected representative;
- (g) support and promote these principles by leadership and example and act in a way that secures and preserves public confidence in the office of Councillor.

Appendix 3:
Legislative requirements
– Council websites and making available
policies on expenses and resources support
available for public inspection.

82A Council must maintain an Internet website

- (1) A Council must maintain an Internet website.
- (2) The Council must ensure that—
 - (c) a list of documents of the Council that the Council is required to make available for public inspection under this Act, and how a member of the public can examine each document on the list, is published on the Internet website.