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# Council Expenses Policy

*Council Policy*

August 2020

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# Council Expenses Policy



## Council Policy

<b>Responsible director</b>	Director Corporate Services
<b>Responsible officer</b>	Manager Governance & Civic Support
<b>Functional area</b>	Governance
<b>Date adopted by Council</b>	July 2020
<b>Review date</b>	July 2024

### Purpose

To provide guidance on the reimbursement of out of pocket expenses and provision of support for councillors and members of delegated committees of council to enable them to perform their duties and to ensure that they are not financially or otherwise disadvantaged in undertaking their official council duties. Guidance is also included on entitlements, the process for reimbursement and reporting requirements.

### Background

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

#### *s.40 Local Government Act 2020*

Council must reimburse a councillor or delegated committee member for out of pocket expenses which the council is satisfied;

- are bona fide expenses; and
- have been reasonably incurred in the performance of the role of councillor or delegated committee member; and
- are reasonably necessary for the councillor or delegated committee member to perform that role.

#### *s.41 Local Government Act 2020*

Council must adopt and maintain an expenses policy in relation to the reimbursement of out of pocket expenses for councillors and members of delegated committees.

#### *s.42 Local Government Act 2020*

A council must make available to the Mayor and councillors the resources and facilities reasonably necessary to enable them to effectively perform their role.

Recognising the leadership role of the Mayor, the policy also provides for some additional resources and facilities specific to that office.

The basic test that will be applied to determine whether or not an expense is lawfully incurred is whether the expenditure is necessary because it is supplemental or incidental to or consequent on the exercise of council functions.

The payment and/or reimbursement of expenses and provision of support must only be for the actual cost of legitimate business and not for time and effort spent in performing these duties.

## **Policy**

Council will make available the following support to councillors and delegated committee members in the discharge of their duties.

## **1 Allowances**

### **1a Councillor and Mayoral allowances**

Section 39 of the *Local Government Act 2020* (the Act) provides that a Mayor and councillor are entitled to receive from the council the payment of allowances in accordance with a Determination of the Victorian Independent Remuneration Tribunal under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019*.

If a councillor fails to take or complete councillor induction training and make a written declaration as required by section 32 of the Act, the councillor's allowance will be withheld until the councillor has completed induction training and made the written declaration.

A councillor is entitled to receive any allowance that is withheld after the councillor has taken or completed the induction training and made a written declaration.

### **1b Remote Factor Allowance**

Council will pay a remote travel allowance as per the relevant Order in Council as amended from time to time to councillors to provide compensation for the time spent on long distances.

## **2 Travel Expenses and Arrangements**

### **2a Travel expenses**

Council will meet the reasonable travel, accommodation, meals, fees and expenses incurred by and associated with councillors and delegated committee members travelling for official council purposes, as approved by the Chief Executive Officer and within the limits of the budget approved by council.

### **2b Motor vehicles**

Council will provide the Mayor with unrestricted private use of a vehicle of a type and for a period of use as described in council's Pool Vehicle Policy which is reviewed from time to time.

The unrestricted private use is also extended to include the use by the Mayor's partner/spouse.

Council will provide a pool of cars for use for council business. All pool cars will be provided with a fuel card for petrol or oil purchased.

It is expected that councillors and delegated committee members arrange to use a council vehicle for all council related travel. Pool cars are usually available for this purpose.

### **2c Interstate and international travel**

Approval is required for all councillors and delegated committee members undertaking discretionary trips and interstate travel and attendance at conferences.

All interstate travel undertaken by councillors or delegated committee members must be in accordance with the achievement of the council's corporate objectives and goals. Approval of interstate travel is given by the Mayor, in consultation with the Chief Executive Officer.

All international travel undertaken by councillors and delegated committee members must be in accordance with the achievement of the council's corporate objectives and goals and approved by a resolution of the full council.

Air travel will be by economy class with bookings and payment to be made by the council.

Council maintains a register of details and costs relating to all overseas and interstate travel undertaken by councillors and delegated committee members (with the exception of interstate travel by land for less than three days) which it makes publicly available on its website.

Councillors and delegated committee members must ensure that details on travel expenses are provided to the Manager Governance & Civic Support within seven days of return from travel.

#### **2d Partner travel**

The costs of a partner accompanying a Mayor on a business trip (within Victoria) will be borne by council.

The costs of a partner accompanying a councillor or a delegated committee member on a business trip must be borne by the councillor or delegated committee member unless there is a bona fide business purpose or necessity for the presence of the partner.

Costs associated with the travel, accommodation and incidentals for the partner must be approved in writing by the Chief Executive Officer prior to departure.

#### **2e Use of private vehicles**

Where use of a council vehicle is impractical or none available, an allowance will be paid to councillors and delegated committee members for use of their own vehicle in accordance with the Australian Tax Office rates as varied from time to time. The travel must be in the course of conducting official council business.

It is expected that all travel be by the most direct route and vehicles shared where more than one councillor or delegated committee member attends the same function.

Where a councillor or delegated committee member uses their car to attend an approved interstate meeting, conference, seminar or engagement the total claim for use of a vehicle shall not exceed the cost of air travel and transfers.

#### **2f Car parking/public transport/taxi charges**

Council will reimburse the costs of car parking, public transport and taxi charges incurred while conducting council business on the basis of original receipts and relevant details regarding the purpose, date and time of the meeting or function.

### **3 Training/development/conferences and seminars**

Council recognises the need for councillors and delegated committee members to attend seminars, conferences, professional development and training in order to be kept fully informed on all local government matters and to assist them to perform their roles.

Council will meet all reasonable costs incurred for transport, accommodation, registration fees, meals, car hire and associated expenses that are related to performing their duties within the limits of the annual budget.

Where a councillor or delegated committee member nominates to attend a conference, workshop or training relevant to their role as a councillor or delegated committee member, approval needs to be sought from the Chief Executive Officer. Attendance at interstate and overseas conferences is subject to council approval as detailed in point 2d.

Any additional costs as the result of the attendance at seminars, conferences, professional development and training of partners shall be borne by the councillor and delegated committee member.

#### **4 Carer and dependant-related care expenses**

Council will provide reimbursement of costs where the provision of childcare is reasonably required for a councillor or delegated committee member to perform their role (s.41(2)(c))

This applies to the care of a dependent, while the councillor or delegated committee member is undertaking their official duties.

Council must 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*, to perform their official duties, namely:

Council will provide reimbursement of costs where the provision of *carer services* is reasonably required when a councillor or delegated committee member who is a carer (s.41(2)(d)), namely—

- a. Where the councillor or delegated committee member provides another person, or receives from another person, care because one of the persons in the relationship—
  - i. has a disability; or
  - ii. is older; or
  - iii. has an ongoing medical condition (including a terminal or chronic illness or dementia).
- b. Where—
  - a. an individual has custody and guardianship of a child under a permanent care order;
  - b. a child is placed with an individual who provides care to that child under a protection order.

Care expenses may comprise hourly fees, agency booking fees and/or reasonable travelling expenses and be reimbursed for attending—

- a. council meetings and council business related to council meetings;
- b. council functions;
- c. delegated committee meetings;
- d. other committee meetings where approved by the Mayor or Chief Executive Officer;
- e. meetings arising as a result of a councillor being appointed by the council to an external body.

Payments for carer and child care services will not be made to a person who resides with the councillor or delegated committee member; has any financial or pecuniary interest with the councillor or delegated committee member; or has a relationship with the councillor, delegated committee member or their partner.

#### **5 Civic support, facilities and equipment**

##### **5a Civic entertainment**

All official civic entertainment expenses will be met from the annual allocation approved as part of the council's budget.

All formal civic entertainment functions will be co-ordinated by the Governance & Civic Support Team and must have prior approval of the Mayor.

Councillors and delegated committee members will be reimbursed reasonable expenses incurred while entertaining visiting dignitaries or council business guests on behalf of council, including the reasonable costs of non-alcoholic drinks accompanying a meal and reasonable expenses for partners. The Mayor must give prior approval to any such entertainment.

### **5b Meals and refreshments**

Council will provide reasonable refreshments during meetings on council business and reasonable meals where council or delegated committee meetings are to be held over extended periods or are likely to have a late conclusion time, at the discretion of the Chief Executive Officer and/or Mayor.

The nature of the meal and refreshments shall depend on the nature of the meeting, the timing and attendees and all arrangements are made by the Governance & Civic Support Team.

### **5c Office space**

Council will provide suitably furnished and equipped offices in the Stawell and St Arnaud Town Halls for use by the Mayor. The Mayor will be provided with access to the offices and Town Hall buildings.

Council will provide suitably furnished meeting areas in the Stawell and St Arnaud Town Halls for use by councillors and committee members if required.

The Mayor and councillors will be issued with a council key card to access the Town Halls for business related purposes.

### **5d Secretarial support**

Administrative support for work directly related to the duties of Mayor, councillor or delegated committee member will be provided by the council's Governance & Civic Support Team. Customer service staff are also available at the Stawell and St Arnaud Town Halls to assist during normal office hours.

### **5e Stationery**

Council shall upon request provide councillors and delegated committee members with standard council stationery and office equipment which may include, but not necessarily be limited to, business cards, copy paper, etc. Each councillor will be provided with a name badge.

### **5f Credit card**

Council has a corporate credit card facility and arranges for a corporate credit card to be issued to the Mayor when elected (\$5,000 monthly limit). The card is not authorised for cash advances.

The use of the card is to be in accordance with the [Credit Card Policy](#) and associated procedure.

### **5g Apparel**

Council shall, upon request, make available on loan protective clothing required to assist in carrying out the duties of office. This clothing is to be returned promptly upon the completion of the activity/duty for which the articles were required.

The clothing shall be limited to clothing held in store to meet the organisation's requirements, unless otherwise resolved by council for a specific item(s).

## **5h Insurance**

Council must indemnify and keep indemnified each councillor and delegated committee member 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 their council duties.

Council holds various other insurances including personal accident and motor vehicle (while driving council owned vehicles). All policies have terms, conditions, exclusions and deductibles and specific information can be obtained by contacting the Manager Governance & Civic Support.

Council will pay any applicable policy excess in respect of claims made against a councillor or delegated committee member arising from council business where any claim is accepted by council's insurers, regardless of the outcome.

## **5i Legal costs**

Council will only meet legal expenses incurred as a result of a councillor or delegated committee member executing their official duties.

If a councillor or delegated committee member requires legal advice in connection with his or her functions as a councillor or delegated committee member:

1. The councillor may submit a Notice of Motion requesting that council facilitate and fund such legal advice.
2. The Chief Executive Officer may facilitate a request from a delegated committee member through a council report.
3. The Chief Executive Officer may facilitate legal advice and confirm that council will meet expenses when:
  - a. appropriate to do so taking into the consideration the same criteria used by council (below)
  - b. The requirement for legal advice cannot be deferred until the lodgement or consideration of a Notice of Motion or a report to council.
4. Council will evaluate any requirement by a councillor or delegated committee member for legal advice against the following criteria:
  1. the extent to which the subject matter of the advice required relates to his or her functions as a councillor or delegated committee member;
  2. the extent to which the subject matter of the advice required relates to a matter before council or the councillor's/committee members representative role as a councillor/delegated committee member;
  3. the extent to which the subject matter of the advice required will or is likely to be of interest to all councillors or committee members;
  4. the public interest;
  5. any other relevant considerations.
4. In the event that legal advice relates to a writ, action or pending action against a councillor or delegated committee member, he or she must supply a copy of the writ or action or provide the information which may lead to an action, to the Chief Executive Officer, who will advise council's insurers as soon as possible, in accordance with council's insurance policy conditions.
5. Unless VCAT orders otherwise a council must pay the legal costs of individual councillors in conduct hearings into alleged misconduct, but only where council has made the application to VCAT or has requested to be a party to a matter in VCAT.

## **5j Disability**



Council must consider any additional facilities, support and associated expenses that may be required by a councillor or delegated committee member to perform their civic duties because of a disability.

### **5k Councillors with cultural needs**

Council will endeavour to meet any specific cultural needs of councillors and delegated committee members.

### **5l Communications and information technology expenses**

Council will provide the following facilities and communications to councillors and delegated committee members as determined to be necessary to perform their official duties:

- email address
- website profile
- an ipad with internet connection, appropriate software and email access
- training/education in use of equipment as required
- Help Desk and IT support

Councillors will enter into a BYOD arrangement for mobile phones where they are either issued with a work sim for unrestricted use by council or use their own sim and receive reimbursement for work usage.

Computer use is subject to council's policies for use of email and internet facilities, including privacy.

All facilities provided remain the property of the council and must be returned at the end of the term of office unless alternative arrangements are agreed to by the Chief Executive Officer.

Council will include information on its website about councillors and delegated committee members including contact details and useful links to facilitate participation and access between council and the community.

## **6. Exclusions**

### **6a Expenses not covered**

Expenses incurred by councillors or delegated committee members for the following will not be paid for or reimbursed by council and shall be the responsibility of the individual councillor and delegated committee member unless approved by a resolution of council in each instance :

- legal expenses except where related to an insurance claim
- penalties for breaches of road, traffic, parking or other regulation or law.

### **6b No offset**

If a councillor or delegated committee member does not claim a particular expense or use a particular facility the resultant savings cannot be offset against a claim for an additional amount of some other expense or facility.

### **6c Other**

Claims for expenses other than those included in this policy will not be reimbursed, except in exceptional circumstances after approval by the Chief Executive Officer.

Councillors must ensure that benefits contained within this policy are not used as part of any election campaign.

## **7. Accountability**

### **7a Claims for reimbursement**

Council will reimburse a councillor or delegated committee member for reasonable bona fide out-of-pocket expenses incurred while performing their duties. No reimbursement for the purchase of alcohol will be approved.

Councillors must complete the councillor reimbursement request form (elementORG) and include strong evidence of why the expense was incurred. The form includes the ability to upload photographs of documentary evidence, eg receipts and tax invoices. Councillors must also certify that the expense was incurred in the course of performing their role as a councillor and is in line with legislative provisions and council policy. There is guidance within the form for calculation of travel and mileage claims and rates. There is also an option in the request process to nominate the bank account into which the reimbursement is to be deposited directly by the Finance Team.

Requests for reimbursement by delegated committee members must be in writing (email) and accompanied by evidence of why the out of pocket expense was necessary. Payments will be deposited directly into a nominated account by the Finance Team on approval.

All claims for the reimbursement of expenses will be approved or denied by the Chief Executive Officer.

Claims for reimbursement must be timely and claims in excess of three months after the expenditure being incurred will not be processed.

Where the expense incurred is in excess of \$50, councillors and delegated committee members must obtain a GST 'Tax Invoice' for inclusion with their claim.

### **7b Reporting**

Council will provide quarterly reports of all councillor and delegated committee member expenses to the Audit and Risk Committee to include:

- a. expenses incurred during the quarter;
- b. reimbursement claims made during the quarter;
- d. reimbursements made during the quarter; and
- d. any breaches of the policy.

Council will report in its Annual Report on expenses paid to councillors and delegated committee members for the categories of travel, car mileage, childcare, ICT, conferences and training expenses.

### **Council Plan Objective/Strategy**

The aims or objectives of the policy are aligned with council's Council Plan objectives and strategies.

### **Legislation and Standards**

*Local Government Act 2020*

*Carers Recognition Act 2012*

*Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019*

*NGSC Gifts, Benefits & Hospitality Policy*

*NGSC Councillor Code of Conduct*

*NGSC Election Period Policy*

*NGSC Governance Rules*

### **Responsibilities**

The Director Corporate Services and Manager Governance & Civic Support are responsible for the development and management of this policy.

### **Stakeholders**

Councillors and members of delegated committees are directly affected by this policy. The policy also applies to members of a joint delegated committee as this type of committee is created by existing delegated committees from each of the councils forming the joining delegated committee.

Governance and Finance staff are responsible for implementation and compliance monitoring and were consulted during the development and revision of this policy and associated procedures.

### **Review**

The Executive Leadership Team is to review this policy after each general election of the council with suggested revisions to be submitted to the council for consideration and adoption. Operational amendments may be made as required between review periods in accordance with council/ELT approval.

Council commits to monitoring processes and decision making to understand the overall success of the policy's implementation.

## Communication and implementation

The policy will be communicated to councillors, delegated committee members and relevant staff and will be available on Docs on Tap and EDRMS.

The policy is referred to in the councillor induction and development program. The policy will be published on council's website and a copy made available at council offices on request.

## References

In preparing this policy, the intent of the following governance principles prescribed in the Act were considered:

- a. priority is to be given to achieving the best outcomes for the municipal community, including future generations;
- b. the ongoing financial viability of the council is to be ensured;
- c. the transparency of council decisions, actions and information is to be ensured.

The following resources were used for the development of the policy and provide further information:

- *DPCD Information Guide Mayor & Councillor Entitlements November 2008*
- *Recognition and Support, the Victorian Government's Policy Statement on Local Government Mayoral & Councillor Allowances & Resources April 2008 (Recognition and Support)*
- *Fraud and Corruption Control - Local Government, VAGO 2019*

## Privacy and Data Protection compliance

The confidentiality of personal and payment details of any reimbursements is maintained through restricted access in council's elementORG and electronic records document systems in line with the *Victorian Protective Data Security (VPDSS) Framework*.

## Gender Equality Act 2020 compliance

The payment of expenses and provision of facilities and support provided by the council are relevant to all councillors and committee members equally, regardless of gender. This supports persons of all gender to take up roles as councillors and committee members and ensures women are not inadvertently disadvantaged, having given consideration of care roles equality.

## Charter of Human Rights compliance

This policy has a positive impact on the human right to *take part in public life* identified in the *Charter of Human Rights & Responsibilities Act 2006*.

## Definitions

*bona fide expenses* are necessary and reasonable costs and would include fuel costs, train and taxi fares, food and non-alcoholic beverages, parking tickets

*care* provision of ongoing support, assistance or personal care to another person

*carer* as defined under section 4 of the Carers Recognition Act 2012

*delegated committee* a delegated committee established by council under s.63 of the Act to exercise powers, duties or functions delegated by a council

*duties as a councillor*

*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*

*duties may include (but are not limited to) attending meetings and briefings, workshops, civic events or functions convened by council, conferences, workshops and training programs related to the role of councillor or Mayor and duties relating to constituents concerning council business*

*in a care relationship*

*within the meaning of section 4 of the Carers Recognition Act 2012*

*joint delegated committee*

*a delegated committee of two or more councils that have resolved to establish the joint delegated committee under s.64 of the Act, to exercise any power of a council*

*role of a councillor*

*participate in decision making; represent the local community; contribute to strategic direction; advocate on a broad range of issues; manage organisation and community assets*

**Review history**

<b>Date</b>	<b>Review details</b>	<b>Action</b>
June 2020	Policy developed	Included new requirements of LGA 2020
15 June 2020	Reported to ELT	Approved
3 August 2020	Reported to council	Adopted