
Council Expenses Policy

Council Policy

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Council Policy

Responsible director	Director Corporate Services
Responsible officer	Manager Governance
Functional area	Governance
Date adopted by Council	1 July 2024
Review date	June 2029

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.

The policy is a framework to ensure that entitlements and support that councillors receive are not excessive and meet community expectations.

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;

- a. are bona fide expenses; and
- b. have been reasonably incurred in the performance of the role of councillor or member of a delegated committee; and
- c. are reasonably necessary for the councillor or member of a delegated committee 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 members of a delegated committee in the discharge of their duties.

1 Allowances

1a Allowances for Mayors, Deputy Mayors and Councillors

Section 39 of the *Local Government Act 2020* (LGA 2020) provides that a Mayor, Deputy Mayor and councillor are entitled to receive from the council an allowance 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 mandatory councillor induction and professional development training and make a written declaration as required by the LGA 2020, the councillor's allowance will be withheld until the councillor has completed the 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 training and made a written declaration.

1b Remote Area Travel Allowance

Remote travel allowance is paid as compensation for time spent on long-distance travel and is separate to motor vehicle expenses.

Council will pay a remote travel allowance as per the determination made by the Victorian Independent Remuneration Tribunal as amended from time to time to councillors to provide compensation for travel more than 50kms. If a Council member normally resides more than 50 kilometres by the shortest possible practicable road distance from the location or locations specified for the conduct of ordinary, special or committee meetings of the Council, or any municipal or community functions which have been authorised by Council resolution for the Council member to attend, the Council member is entitled to be paid an allowance for each day on which one or more meetings or authorised functions were attended by the Council, up to a maximum set by the Tribunal per annum.

The remote area travel allowance only applies:

- a) to 50km one way travel; and
- b) in relation to the distance from a Councillor's usual place of residence – ie from their home.

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 fuel 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. If a pool car is not available or its use is unreasonable or impractical, a personal vehicle may be used. Council will reimburse travel expenses at the per kilometre business rate set by the Australian Taxation Office and will be calculated using a completed logbook submitted by the councillor or the most direct route using a mapping system or if reasonable alternative modes of transport are more cost effective, the reimbursement will be limited to the cost of the alternative mode.

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.

Details and costs relating to all overseas and interstate travel undertaken by councillors and delegated committee members will be reported as set out in 7b.

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

2d Partner travel

The costs of a partner accompanying a Mayor or Deputy 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 not 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 private use must be in the course of conducting official council business and will be paid when attending:

- Council meetings, Councillor briefings and meetings where a Councillor is a delegate of council
- Civic or ceremonial functions where the Councillor is representing Council or the Mayor
- As a delegate of Council or the Mayor
- Training or conferences which Council has paid for
- Inspections of road, property or area in the capacity of a Councillor
- At meetings with Council officers on matters relating to Council.

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/professional development/conferences

Council recognises the need for councillors and delegated committee members to be kept fully informed on all local government matters and to receive and upgrade relevant skills to assist them to perform their roles.

An annual budget and reasonable assistance will be provided for mayors, deputy mayors and councillors and members of delegated committees to enable them to receive training and professional development.

Council will meet all reasonable associated costs incurred for transport, accommodation, registration fees, meals, car hire and associated expenses within the limits of the annual budget.

The Chief Executive Officer will ensure mandatory mayoral and councillor induction and professional development training is available to be taken within the relevant periods, develop a plan which outlines the learning activities to meet the statutory requirements and provide reasonable assistance for the training to be accessed. Training may be tailored to individual needs taking into account existing skills and experience.

Priority for budget spend on any training and professional development will be given to the statutory requirements, including completion of training by councillors elected to fill an extraordinary vacancy.

Giving consideration to the mandatory requirements, councillors may attend conferences and training within the allocated annual training budget adopted by council. Council approval is required for all projected costs for any event that exceeds \$3,000 excluding GST for each councillor per event.

Where a councillor or delegated committee member nominates to undertake non-mandatory (discretionary) training relevant to their role as a councillor or delegated committee member, approval needs to be sought from and provided by the Chief Executive Officer.

Attendance at interstate and overseas conferences is subject to approval as detailed in point 2c.

Any additional costs (not approved by Council) incurred as a result of attendance at seminars, conferences, professional development and training shall be borne by the councillor and delegated committee member.

Any event attended by a partner is borne wholly by the councillor.

4 Carer and dependant-related care expenses

Council will provide reimbursement of costs where the provision of child care is reasonably required for a councillor or a member of a delegated committee to perform their role (s.41(2)(c) of LGA 2020)

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

Council must have particular regard to the support that may be required by a councillor or a member of a delegated committee 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 a member of a delegated committee who is a carer (s.41(2)(d) of LGA 2020), namely—

- a. Where the councillor or a member of a delegated committee 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 member of a delegated committee; 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 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 Team.

5c Office space

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, Deputy Mayor, councillor or delegated committee member will be provided by the council's Governance Team. Customer service staff are also available at the Stawell and St Arnaud Customer Service Centres to assist during normal office hours.

5e Stationery

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

5f 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).

5g Indemnity and Insurance

Subject to section 43A of LGA 2020, Council must indemnify and keep indemnified each councillor and member of a delegated 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 their council duties.

Council holds various insurances including Councillors and Officers Liability, 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.

In the event of an accident and/or damage to a councillor's private vehicle during Council business, as specified in Clause 2e (Use of Private Vehicles), where the claim is accepted by Council insurers but out-of-pocket expenses still remain, council will consider covering these expenses on a case-by-case basis. This consideration will be made in accordance with budget constraints and the specifics of the incident.

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

5h Indemnity - Legal costs

Council may indemnify a councillor for legal costs incurred by the councillor to obtain representation considered necessary under section 141(2)C for any internal arbitration process for a breach of the Model Councillor Code of Conduct or 163(2)(b) or a Councillor Conduct Panel hearing.

5i Disability

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

5j Councillors with cultural needs

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

5k 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
- a personal computer
- training/education in use of equipment as required
- Help Desk and IT support

Councillors will enter into a Bring Your Own Device (BYOD) arrangement for mobile phones where they receive reimbursement for work usage in the form of a phone allowance.

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 and within the terms and conditions of the Councillor and Officer Liability Policy and Supplementary Legal Expenses clauses
- penalties and fines for breaches of road, traffic, parking or other regulation or law
- purchase of alcohol
- consumption of minibar items incurred while staying in approved accommodation
- not incurred for council purposes.

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 Reimbursement of expenses of councillors and members of a delegated committee

Council will reimburse a councillor or a member of a delegated committee for out-of-pocket expenses which the Council is satisfied are bona fide expenses that have been reasonably incurred while performing their role and are reasonably necessary for them to perform their role. 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 itemise what was purchased and 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; photographs of log book entries are required to support mileage claims. 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 a member of a delegated committee 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 members of delegated committees 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
- c. reimbursements made during the quarter and
- d. any breaches of the policy.

Council will also 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 to provide transparency and enable external scrutiny of councillor 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 Councillor Gifts Policy

Model Councillor Code of Conduct

NGSC Election Period Policy

NGSC Governance Rules

NGSC Public Transparency Policy

NGSC Privacy and Data Protection and Health Records Policy

Responsibilities

The Director Corporate Services and Manager Governance 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, members of delegated committees and relevant staff and will be available on Docs on Tap and records management system.

The policy is referred to in the mandatory councillor induction and professional 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 LGA 2020 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 and Councillor Allowances and 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 and Responsibilities Act 2006*.

Definitions

<i>bona fide expenses</i>	<i>are necessary and reasonable costs and would include fuel costs, train and taxi fares, food and non-alcoholic beverages, parking tickets</i>
<i>care</i>	<i>provision of ongoing support, assistance or personal care to another person</i>
<i>carer</i>	<i>as defined under section 4 of the Carers Recognition Act 2012</i>
<i>delegated committee</i>	<i>a delegated committee established by council under s.63 of LGA 2020 to exercise powers, duties or functions delegated by a council</i>
<i>duties as a councillor</i>	<i>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</i> <i>duties may include (but are not limited to) attending council and committee meetings and briefings, workshops, civic events or functions convened by council, conferences, workshops and training programs related to the role of councillor or Mayor, duties relating to constituents concerning council business and meetings and functions that have a demonstrable benefit to the community</i>
<i>in a care relationship</i>	<i>within the meaning of section 4 of the Carers Recognition Act 2012</i>
<i>joint delegated committee</i>	<i>a delegated committee of two or more councils that have resolved to establish the joint delegated committee under s.64 of LGA 2020, to exercise any power of a council</i>
<i>role of a councillor</i>	<i>participate in decision making; represent the local community; contribute to strategic direction; advocate on a broad range of issues; manage organisation and community assets</i>

Review history

Date	Review details	Action
June 2020	Policy developed	Included new requirements of LGA 2020
15 June 2020	Reported to ELT	Approved
3 August 2020	Reported to council	Adopted
8 April 2024	Operational amendments proposed; reported to councillors	
1 July 2024	Reported to Council	Adopted by Council
	Reported to ELT	
14 April 2025	Reported to Councillor Briefing	
5 May 2025	Reported to Council	