



LEETON SHIRE COUNCIL
Preserving the Past, Enhancing the Future

**LEETON SHIRE COUNCIL
POLICY**

**PAYMENT OF EXPENSES
AND
PROVISION OF FACILITIES
TO MAYOR AND COUNCILLORS**

PART 1 INTRODUCTION

1.1 Adoption and Commencement of the policy

This policy replaces the previous policy that was adopted by Council on 27 August 2014 Resolution 14/214, and commenced on 27 August 2014.

1.2 Purpose of the Policy

The purposes of the policy are:

1. To ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors in the course of discharging their civic duties, and
2. To ensure that the facilities provided to assist Councillors to carry out their civic duties are reasonable and are at a standard appropriate to their professional role as a Councillor.

1.3 Objectives and Coverage of the Policy

- To provide appropriate and reasonable facilities to enable the Mayor, Deputy Mayor and Councillors to fulfil their civic responsibilities and obligations
- To provide clear guidelines on what types of expenses Councillors are entitled to claim payment for or reimbursement from the Council
- To ensure that no Councillor suffers financial hardship in meeting his/her legitimate civic responsibilities and obligations
- To meet the statutory requirements of sections 252 and 253 of the Local Government Act 1993 and section 403 of the Local Government (General) Regulation 2005

1.4 Reporting Obligations

Section 428 of the *Local Government Act 1993* requires councils to include in their annual report:

- The council's policy on the provision of facilities for, and the payment of expenses to, Mayors and Councillors
- The total amount of money expended during the year on providing those facilities and paying those expenses
- Additional information as required by the *Local Government (General) Regulation 2005*.

Clause 217 of the Regulation requires Council to include additional information in the Annual Report. This includes specific reporting on:

- 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
- Overseas travel expenses
- Care and other related expenses

- Cost of provision, including rental, of dedicated office equipment allocated to councilors on a personal basis such as laptop computers, I pads, mobile phones, telephones and facsimile machines and internet installed in the Councilors' homes. This item does not include the cost of using this equipment, such as calls.
- Other significant costs incurred

2 Legislative Provisions

2.1 Provisions under the *Local Government Act 1993*

Sections 252(5) and 253 of the *Local Government Act 1993* require councils to make and submit their expenses and provision of facilities policies annually to the Office of Local Government.

Section 252 of the *Local Government Act 1993* requires councils to adopt a policy annually for the payment of expenses and the provision of facilities to Mayors, Deputy Mayors and other Councilors. Mayors and Councilors can only be reimbursed for expenses and provided with facilities in accordance with this policy.

Section 252 also makes provision for a council to reduce the amount payable to Mayors and Councilors (under sections 248-251 of the *Local Government Act 1993*) by the amount representing any private benefit of a facility provided by the council to them. It also requires that the policy be made under the provisions of this Act, the Local Government (General) Regulation and any relevant guidelines issued under section 23A of the Act.

Section 253 specifies actions that council must undertake before a policy concerning expenses and facilities can be adopted or amended.

Section 254 requires that a part of a council or committee meeting which considers the adopting or amending of such a policy must not be closed to the public.

Section 12 provides that the public is able to inspect during office hours at the council, and at no charge, the current version and the immediately preceding version of the council's expenses and facilities policy. The public are also entitled to a copy of the policy either free of charge or on payment of a reasonable copying charge.

Section 23A makes provision for the Director-General of the Office of Local Government to prepare, adopt or vary guidelines that relate to the exercise by a council of any of its functions. It also requires that a council must take the relevant guidelines into consideration before exercising any of its functions.

3 Other Government Policy Provisions

OLG Guidelines for payment of expenses and provision of facilities

Model Code of Conduct

OLG Circulars to Councils

ICAC publications

4 Approval Arrangements

Any expenses in relation to Council related business should only be incurred by Councillors in accordance with the provisions of this policy. All claims for expenses shall be submitted for approval to the General Manager or his/her delegate.

For Councillors wishing to attend a function other than those specifically covered by this policy and for which expenses will be claimed, approval should be obtained where possible at a full Council meeting. Where this is not possible, approval is to be provided jointly by the Mayor and General Manager and reported to the next council meeting.

If the Mayor requires approval to travel and it is not possible to place the matter before a council meeting, the approval is to be provided by the Deputy Mayor and the General Manager and reported to the next meeting.

No travel outside of Australia is to be approved other than by Council resolution.

PART 2 PAYMENT OF EXPENSES

2.1 GENERAL PROVISIONS

2.1.1 Payment of Expenses Generally

In accordance with Clause 403 of the Regulation no provision will be made to Councillors for a general expense allowance. The reimbursement of any expenses incurred by Councillors in acting in their official capacity will be in accordance with this policy.

Except in situations where an incidental private benefit may arise from an expense incurred, Councillors shall not receive a private benefit through payment of expenses under this policy.

If, in the opinion of the General Manager, a private benefit is gained by a Councillor through the payment of expenses under this policy, the claim will be refused or the amount of private benefit deducted from the claim. The amount of private benefit to be deducted will be determined by the General Manager.

Councillors must provide a certified claim for all travel and out of pocket expenses incurred.

Payment will only be made for expenses covered under this policy, and items accompanied by appropriate tax invoice receipts.

Council will not pay expenses or provide facilities to Councillors in relation to supporting and/or attending political fundraising events.

Councillors shall meet any additional costs associated with the attendance of their partners unless such attendance is specifically covered elsewhere in this policy.

2.1.2 Claiming of Expenses

All claims for expenses are to be made in writing on the claim form attached to this policy and submitted within two (2) months of the expense being incurred. Claims are to be supported by the submission of appropriate receipts and tax invoices.

2.1.3 Reimbursement and Reconciliation of Expenses

Councillors are to provide receipts or other appropriate documentation to support all claims for reimbursement or substantiate payments from advances.

2.1.4 Gifts and Benefits

Gifts and benefits received by Councillors are to be declared in accordance with Council's policy relating to Gifts and Benefits, which was adopted by Council at its meeting on 26 June 2013, Resolution 13/136.

In circumstances where it is appropriate for Councillors to give a gift or benefit (eg – on a council business related trip or when receiving visitors) these gifts and benefits should be of token value only, and the recipient's name, and purpose for which the gift or benefit is made, is to be recorded in the Gifts and Benefits Register.

Gifts provided to dignitaries and special guests at civic functions are to be authorised by the Mayor and General Manager, and recorded in the Gifts and Benefits Register.

2.1.5 Corporate Bankcard

The Mayor, General Manager and Director Corporate Services are authorised to operate corporate credit cards in the Council's name for the payment of expenses associated with the operation of this policy and other reasonable expenditure incurred on behalf of Council. Appropriate documentation is required to be provided for all transactions charged to the corporate credit card.

2.1.6 Payment in Advance

Where it is likely that a Councillor will incur expenses as a result of attending to business outside the council area, and where it is not possible for those expenses to be pre-paid or charged directly to the Council, the Councillor is entitled to an amount of \$130 per night to be drawn in advance to cover incidental expenses.

Such an advance is not authority to incur unsubstantiated expenses to that amount. Any expenses paid from the advance shall be fully substantiated and the unexpended balance of monies repaid to Council. .

2.1.7 Council Employees Authorised as Council Delegates

The method of expenses adopted for Councillors shall also apply to Council employees where representing council or at functions authorised by the council.

2.1.8 Accommodation

Where the business of Councillors requires travel from Leeton and overnight accommodation, the actual cost of those expenses and other reasonable incidental expenses shall be met or reimbursed by the council.

Accommodation is to be reasonable and appropriate to the occasion. As a guide the limit on accommodation in capital cities is \$300 per night and in other centres \$200 per night. Where the accommodation is provided at the facility where the event is being staged (as is the case for the Local Government NSW Annual

Conference), the policy provides for accommodation to be provided at that location even if cost of the accommodation exceeds the nominated limit.

2.1.9 Attendance at Dinners and Non Council Functions

Reimbursement of reasonable costs associated with Councillor attendance at dinners and other non-council functions will be at the discretion of the Mayor and General Manager, and will only be considered when the function is relevant to Council's interests, and where attendance has been approved by Council, or by the Mayor and General Manager. All reimbursements are required to be verified with the production of receipts or a Statutory Declaration if receipts are not available.

No payment will be made for attendance by a Councillor at any political fundraising event, for any donation to a political party or candidates electoral fund, or for some other private benefit.

2.1.10 Incidental Expenses

Reasonable out of pocket expenses to a daily limit of \$130 per Councillor for expenses associated with attendance at a conference will be reimbursed under this policy upon presentation of a claim and receipts for the following:

- Any hotel/motel charges associated with the Conference, other than accommodation
- All telephone or facsimile calls related to Council business
- Reasonable lunches, dinners, and other meals incurred whilst travelling to or from the Conference and other meals occurring during the Conference but not included in the Conference registration fee
- Incidental expenses relating to parking, taxi fares, motorway or bridge tolls
- Any optional activity in a Conference programme, but not including any pre or post conference activities.

2.1.11 Spouse and Partner Expenses

Council shall meet the cost of the attendance of partners of the Mayor and Deputy Mayor (or their nominee) at the conference dinner at the following annual conferences:

1. Local Government NSW
2. Australian Local Government Association
3. National General Assembly of Local Government
4. Murray Darling Association

Any additional costs associated with travelling, accommodation and/or participation in partners' programs shall be the responsibility of the Councillor.

Council shall meet the costs of partners accompanying Councillors to functions in the local area where the Councillor is attending the function as a representative of council.

Council shall meet the costs of a partner accompanying the Mayor, or a Councillor representing the Mayor, to functions where the Mayor or Councillor is attending the function as a representative of council. Such functions could include, but not be

limited to, Service Clubs' Changeover Dinners, testimonial dinners, award ceremonies, civic receptions and charitable functions for charities formally supported by the Council.

In situations where partners accompany Councillors at seminars, conferences and the like, all additional costs arising from the partner's attendance are the responsibility of the Councillor.

2.2 SPECIFIC EXPENSES FOR MAYORS AND COUNCILLORS

2.2.1 Attendance at Seminars and Conferences

Council shall be represented at the following annual conferences by the Mayor, Deputy Mayor, One Councillor and the General Manager:

1. Local Government NSW
2. Australian Local Government Association
3. National General Assembly of Local Government
4. Murray Darling Association

In the event that one or more of the delegates nominated above is unable or unwilling to attend, Council shall nominate an alternative delegate(s) with preference to be given to Councillors who have not previously attended an annual conference.

In addition to the delegates nominated above a Councillor not seeking re-election at the next general election and entitled to receive a LGNSW long service certificate shall be entitled to attend a conference in the final year of a term of Council to partake in the presentation of such certificates

▪ LGNSW Presidential Tours

It shall be the policy of Council for those Councillors wishing to do so to attend the Presidential Tours periodically conducted by LGNSW.

▪ Other Conferences and Seminars

Attendance at other conferences and seminars shall require the specific approval of Council as provided for elsewhere in this policy.

After returning from the conference, Councillors or a member of council staff accompanying the Councillor/s, shall provide a written report to council on the aspects of the conference relevant to council business and/or the local community. No written report is required for the Annual Conferences of the Local Government NSW.

Council shall pay conference registration fees charged by the conference organisers including the costs of related official lunches and dinners, and associated tours where they are relevant to the business and interests of the council.

2.2.2 Training and Development

Council supports training and development courses, workshops and seminars aimed at providing opportunities for Councillors to ensure they are able to carry out their functions effectively.

Council will meet all reasonable expenses associated with training that relates directly to a Councillor's duties and obligations as an elected member. Provision will be made in Council's annual budget for training and development expenses.

2.2.3 Travel Arrangements and Expenses

Form of Travel

The Mayor and the General Manager are empowered to determine the mode of travel having regard to availability, economy, time and safety factors when travel is required outside the Council's area.

Travel by air within Australia to be economy class, unless otherwise specified by Council.

A Council vehicle is provided for use by the Mayor & Councillors when on official Council Business. If a Council vehicle (or alternative vehicle) is not available Councillors will be paid the prescribed kilometre rate in the Local Government (State) Award for using their own private vehicle.

Should a Councillor decide to use their own private vehicle when a Council (or alternative) provided vehicle is available, they will be reimbursed on the basis of fuel costs only. Such costs will be reimbursed on the basis of actual fuel receipts being provided and attached to a claim for reimbursement.

Wherever possible, every effort is to be made to minimise travel costs through the use of Council vehicles and sharing with other Councillors and staff where appropriate.

Typically, a Councillor's private vehicle is likely to be used for:

- Travel to/from Council and Council Committee meetings (for travel greater than 10 kilometres outside of Leeton Post Office)
- Travel to/from authorised inspections, *
- Travel to/from Council authorised workshops, courses, seminars or conferences that are held within the area of Leeton Shire Council.

* "Authorised inspections" = Council authorised arrangements.

Reimbursement will not be paid for any travel expense incurred through attending to civic needs except as provided by this policy. The reimbursement rates is as per the Local Government State Award (as at 1 July 2015 this is 78c/kilometre for vehicles greater than 2.5 litre engine capacity or 68c/kilometre for vehicles below 2.5 litre engine capacity).

Council staff shall under normal circumstances make arrangements and bookings for travel and accommodation needs. Adequate notice must be provided by Councillors should this be required.

2.2.4 Care and Other Related Expenses

Reasonable expenses of a carer will be reimbursed for childcare and care of frail aged and/or disabled individuals who reside at the Councillor's household and for whom the Councillor is the primary carer while the Councillor is attending council and committee meetings, or while representing the Council in an official capacity.

Care expenses of up to \$20 per hour and a maximum of \$2,000 per financial year will be paid to allow Councillors to perform official civic duties.

2.2.5 Insurance Expenses and Obligations

As a minimum Council will provide the following insurance cover in respect to Councillors for matters arising out of Councillors' performance of their civic duties and / or exercise of their Council functions:

Public Liability (covers Councillors for negligence arising from day to day Council activities)

Professional Indemnity (covers Councillors for errors and omissions relating to their Council activities)

Personal Accident (covers Councillors and partners for bodily injury whilst travelling to and from any authorised local government activity or business)

Councillors and Officers Liability (covers Councillors for any civil claims arising out of their normal actions as Councillors)

Statutory Liability (covers Councillors for their liability to cover to pay fines which may arise out of innocent breaches of the many Acts which control Council's operations)

All these insurances are subject to the limitations and conditions set out in each respective policy.

2.2.6 Legal Expenses and Obligations

Council may disburse money only if the disbursement is authorised by the Local Government Act 1993, and by resolution of Council.

Council shall indemnify or reimburse the reasonable legal expenses of:

- A Councillor defending an action arising from the performance in good faith of a function under the Local Government Act (section 731 refers); or
- A Councillor defending an action in defamation provided the statements complained of were made in good faith in the course of exercising a function under the Act; or
- A Councillor for proceedings by an investigative body provided the subject of the proceedings arises from the performance in good faith of a function under the Act, and the investigative body makes a finding not substantially unfavourable to the Councillor.

Such investigative bodies include –

Local Government Pecuniary Interest and Disciplinary Tribunal
Independent Commission Against Corruption
Office of the NSW Ombudsman
Office of Local Government
Department of Premier and Cabinet
NSW Police Force
Director Public Prosecutions
Council's Conduct Review Committee/Reviewer

Council will not meet the costs of an action in defamation taken by a Councillor or council employee as plaintiff in any circumstances.

Council will not meet the costs of a Councillor or council employee seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation.

Council will not meet the costs of a Councillor or council employee seeking legal advice, or a legal opinion in relation to decisions by Council without approval from the General Manager.

PART 3 PROVISION OF FACILITIES

3.1 GENERAL PROVISIONS

3.1.1 Provision of Facilities Generally

Council facilities and equipment shall only be used by Councillors in the performance of the functions of a Councillor and in the manner prescribed and authorised by Council.

Council shall supply Councillors with appropriate meals, refreshments and/or beverages associated with Council and committee meetings and functions.

3.2 PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS

3.2.1 Private Use of Equipment and Facilities

- Councillors may have access to Council telephones during hours when the council administrative office is open.
- Councillors may send and receive messages using Council facsimile machines during hours when the Council administrative office is open.
- Except in an emergency, Councillor's use of Council's telephone and facsimile machines shall relate to the business of Council only.

- Council will provide Councillors with a name-badge and business cards.
- Councillors may use a Council letterhead to provide personal references in their capacity as a Councillor.
- Council shall supply appropriate meals, refreshments and/or beverages associated with Council and committee meetings and functions.
- Council shall provide a facsimile machine to Councillors, upon request, for use on official Council business.
- Council shall provide an Apple iPad2 (or equivalent) to Councillors, upon request, for use on official Council business. The costs involved in providing this facility are to be borne by Council.

3.3 PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR MAYOR

3.3.1 Vehicle

A suitable vehicle will be made available to the Mayor for Council use only (no private use component). All associated expenses (fuel, insurance, registration, maintenance) are to be met by Council.

3.3.2 ~~Private~~ Use of Equipment and Facilities

- Appropriate secretarial support will be provided for undertaking the duties of Mayor.
- *Council shall provide all stationery required by the Mayor*
- Appropriate refreshments and beverages will be provided as required to the Mayor for hospitality purposes.
- Council shall provide a mobile phone for the Mayor, for business related calls, and the rent for the mobile phone is to be paid by the Council with all private use to be paid by the Mayor.
- Council shall provide a PC for the Mayor, upon request, and where it is deemed practical and of assistance to the Mayor in communicating with Council's staff, and in carrying out the role and responsibilities of Mayor. The costs involved in providing this facility are to be borne by Council. *Costs for provision of paper and printing cartridges are also to be borne by Council*

PART 4 OTHER MATTERS

4.1 ACQUISITION AND RETURN OF FACILITIES AND EQUIPMENT BY COUNCILLORS

All equipment provided to Councillors under this policy shall remain the property of Council and be returned to the Council upon the Mayor or Councillor ceasing to hold civic office.

4.2 DISPUTE RESOLUTION

Should any dispute arise regarding the application of this policy, including the adequacy of any limits with respect to expenses or standards of facilities, details regarding the nature of the dispute should be provided in writing to the General Manager. The General Manager shall either make a decision in respect of the matter and/or, where necessary, submit a report to the next meeting of the Council such that the matter can be determined by the Council. Alternatively, the Councillor may request that the matter be determined by the Council.

PART 5 REVIEW

This policy shall be reviewed annually and adopted by Council prior to 30 November.

Schedule for Reimbursement of Councillor Expenses

Accommodation

Capital Cities	\$300 per night
Other Centres	\$200 per night

Travel

- Use of Private Vehicle if no Council Vehicle Available
Reimbursement is as per the Local Government (State) Award
- Use of Private Vehicle if Council Vehicle is Available
Reimbursement for actual fuel costs only as per receipts

Incidental Expenses

Reimbursement will be for actual expenditure only as evidenced and supported by receipts up to a daily limit of \$130 per Councillor

Attendance at Dinners and Non Council Functions

Reimbursement of reasonable expenses on production of receipts or statutory declaration (if receipts are not available).

Carer and Other Related Expenses

Reimbursement of \$20 per hour up to maximum of \$2,000 per annum per councillor.



LEETON SHIRE COUNCIL



Claim for Reimbursement of Expenses by Councillors

I hereby submit my claim for reimbursement of expenses in accordance with the provisions of the Local Government Act and Council's Policy with respect to the Payment of Expenses and Provision of Facilities to Councillors.

Name of Claimant: **Councillor**

Claim for reimbursement of expenses: Job Number:

Date	Nature of Business	Nature of Claim	Amount Claimed

Claim for reimbursement of travel expenses: Job Number:

Date	Nature of Business (include where travel was to/from & the purpose of the travel)	Method of travel	Distance in Kms	Rate/Km	Amount Claimed
Total amount claimed:					\$

Please note: Receipts must be attached to this claim form in order for reimbursement to be processed.

Name:

Signature:

Date: _____

APPROVED:

Name:

Signature:

Policy History:

Date of Adoption/Amendment	Resolution Number
20 December 2000	00/570
22 June 2005	05/294
31 January 2007	07/22
28 November 2007	07/506
26 November 2008	08/438
24 February 2010	10/053
27 October 2010	10/370
23 November 2011	11/330
28 November 2012	12/333
28 August 2013	13/193
27 August 2014	14/214
16 September 2015	15/194
19 October 2016	16/156
22 February 2017	17/018