

<b>Title:</b>	<b>Councillor Reimbursement Policy</b>
<b>Type:</b>	<b>Council</b>
<b>Adopted:</b>	28 June 2017
<b>File No:</b>	17/40839
<b>Attachments:</b>	Nil

### 1. Purpose

To establish the expense entitlements and requirements for a Councillor in relation to:

- Reimbursement or pre payment of out of pocket expenses incurred while performing duties as a Councillor;
- Support entitlements that will be provided to Councillors to allow them to effectively carry out their duties; and
- Support available to Councillors for professional development during their term of office.

### 2. Rationale

The Councillor Reimbursement Policy (Policy) gives a broad overview of how Council can provide assistance to its Councillors in carrying out their functions. It cannot prescribe for every possible situation that may arise.

This Policy is also prepared to enable an equitable distribution of resources to allow Councillors to enhance their skill development and knowledge relevant to the local government sector.

The *Local Government Act 1989* (Section 75) provides for the reimbursement of out of pocket expenses incurred while performing the duties as a Councillor.

In addition, Mayoral and Councillor Allowances are provided separately to the reimbursement of expenses and the costs of facilities/resource support.

As well as legislation, there is an information guide issued by the Victorian Government that outlines the entitlements and support to be provided to Mayors and Councillors.

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. Where these criteria are satisfied and a Councillor has incurred an out of pocket expense they will be reimbursed by Council.

### 3. Scope

This Policy covers both the Mayoral and Councillor allowances, the provision of resources to enable Councillors to undertake professional development activities and the reimbursement of any reasonable expenses incurred by Councillors in undertaking their duties.

### 4. Definitions

Reference Term	Definition
Act	The <i>Local Government Act 1989</i>
CEO	The Chief Executive Officer appointed by Council under section 94 of the Act.

Reference Term	Definition
Council	The seven Councillors elected to represent the Murrindindi Shire when they are acting in a formal decision making forum.
Councillors	The seven Councillors elected to represent the Murrindindi Shire Council.

## 5. Policy

### 5.1 Mayoral and Councillor Allowances

Mayoral and Councillor Allowances, including an amount equivalent to the superannuation guarantee under Commonwealth taxation legislation, are to be paid to the Councillors monthly in advance at the rate which will be determined at the annual Special Council meeting.

Council will provide Councillors within two weeks of the end of each financial year, a breakdown of allowances and reimbursements received during the previous financial year. It is important to note that the Mayoral and Councillor allowances are considered taxable incomes and that Council does not make any tax instalments (PAYG) on behalf of the Councillor. As such Councillors will need to seek independent advice from an Accountant/Financial Advisor in relation to their taxation requirements and not from officers.

### 5.2 Travel

Travelling expenses will be paid to Councillors at the rate specified by the Victorian Local Authorities Award 2001, under the following circumstances:

- To attend Ordinary and Special Council Meetings and meetings of Committees of Council
- To attend formal briefing sessions and civic or ceremonial functions convened by the Council or Mayor
- To attend meetings scheduled by Council or the Mayor
- To attend meetings necessary for the Councillor to exercise a delegation given by Council
- To attend a meeting, function or other official role attended as a representative of the Council or Mayor
- To attend meetings of a group, organisation or Statutory Body to which the Councillor has been appointed Council delegate. The reimbursement by Council is to be diminished by however much the body pays travelling expenses directly
- To attend to inspect a street, property or area (or to discuss with any person) any matter affecting or affected by the Council, and/or in order to carry out activities in the capacity of a Councillor
- To attend meetings of any Council appointed committee or any incorporated charity or community organisation, as a representative of the Council
- To attend meetings or to participate in delegations or deputations to which the Councillor has been appointed as a representative by Council, the Chief Executive Officer or Mayor
- When Councillors are travelling interstate, the mode of transport is to be determined on the advice of the Chief Executive Officer based on the most cost effective form of transport

Councillors can seek reimbursement of toll charges and car parking fees associated with attending meetings or functions on behalf of Council.

### 5.3 Remote Area Allowance

Council will pay the Remote Area Allowance in accordance with the Government Gazette of 29 March

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2001. The allowance is for circumstances when a Councillor (including a Mayor) normally resides more than 50 kilometres by the shortest possible practicable road distance, from an Ordinary, Special or Committee meeting of the Council or any municipal or community functions which have been authorised by Council resolution for the Councillor to attend.

A Councillor may decline to accept the Remote Area Allowance by advising the Chief Executive Officer in writing at any time.

#### 5.4 Insurance

Councillors are covered under the following Council insurance policies whilst discharging their duties as a Councillor:

- Public liability
- Professional indemnity
- Councillors and officers liability; and
- Personal accident (accompanying partners are also covered).

Each Councillor has a responsibility to disclose details of any circumstances which may result in a claim for breach of professional duty. Similarly, if a Councillor becomes aware of a matter that exposes the Council to risk of a potential claim or that exposes the public to potential injury or harm, the matter is to be reported immediately to the Chief Executive Officer.

#### 5.5 Professional Development

Professional development of Councillors is strongly encouraged and the selection of training or attendance at a conference or seminar should be based around relevance to the individual Councillor, and be of demonstrable benefit to the enhancement and development of the Council's skills and abilities with regard to effective community representation.

Newly elected Councillors shall be supported in their role through a comprehensive induction program as soon as possible after an election. This will include legislative requirements, roles and responsibilities of Councillors, policy development, strategic planning as well as issues affecting the Murrindindi Shire Council

A number of conferences and seminars are organised throughout the year by professional bodies to develop the skill set Councillors need to undertake their roles and responsibilities as elected community representatives. Throughout the term of a Council opportunities will be presented to all Councillors to access various conferences, seminars, functions and training. Councillors will be given the opportunity of attending training programs, conferences and functions. The selection of a conference or function should be based on its relevance to the role and development of the Councillor or his/her Ward or portfolio responsibilities.

##### 5.5.1 Budget Allocation and Expenses

The budget allocated for the Councillors to attend conferences, professional development and training, shall be divided by the number of Councillors (7), plus one. This is 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.

Where the conference or training cost is greater than \$1,000 the agreement with other Councillors will be required. Municipal Association of Victoria (MAV) points will be used ahead of a financial contribution to the training or conference.

Where domestic travel is undertaken and a Council vehicle is not available for use a Councillor may claim the cost of public transport or the use of their private vehicle to the event. \Where interstate or

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overseas travel is undertaken the travel arrangements, including air fares and accommodation bookings, will be made by Council on behalf of the Councillor.

Councillors must ensure that:

- Any private travel associated with Council related travel is identified and paid for by the Councillor
- They have any required passports, visas, travel insurance, vaccinations, etc.

Reasonable costs associated with attendance at conferences, training or other events, such as food and beverage cost, communication expenses (telephone, fax, internet) and the like, may be claimed. Councillors are responsible for any expenditure related to their partner attending a conference, training or other events with them, except in such cases where Council has invited a Councillor's partner to attend an event with the Councillor.

Where Councillors are paid a fee for presenting at a conference or other events the fee will be paid into Council's general revenue. Any gifts received are to be recorded in the Gift Register.

### 5.5.2 Information Sharing and Reporting

Where a Councillor has attended a conference or seminar in an official capacity they will endeavour to share with the other councillors information such as the value of the conference/seminar, benefits to the shire and any recommendations for further action.

A report (in log format) will be presented annually on the conferences and seminars attended by Councillors.

### 5.6 Accompanying Partner/Guests

Attendance at seminars, conferences and civic functions with a partner or guest shall be at the expense of the Councillor unless otherwise authorised by the Mayor and CEO.

### 5.7 Family Care Expenses

Expenses for bona fide child care services (for children being cared for up to the age of 14 years) will be paid or reimbursed by Council, if claimed, when a Councillor attends:

- Meetings of the Council or its Committees
- Meetings, briefing sessions and civic or ceremonial functions convened by the Mayor, the Council or the Chief Executive Officer
- Meetings arising as a result of a Councillor being appointed by the Council to an external body or committee except where the body itself reimburses relevant child care expenses incurred by the Councillor
- A meeting, function, or other official role as a representative of the Mayor or Council
- The offices, to discuss with the Mayor, other Councillors or Officers any matter relating to Council. This may relate to Ward or Committee responsibilities or areas of focus or specialisation
- Conferences or study tours, training sessions and seminars in capacity as a Councillor
- Other Civic related engagements where the payment of child care has been pre-approved by the Mayor

Recognised child care expenses consist of reasonable hourly fees, agency booking fees (if applicable) and reasonable associated travelling expenses. Fees are generally payable per hour or part of an hour subject to any minimum period which is part of the care provider's usual terms.

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Reasonable child care fees will be determined as not exceeding reasonable prevailing child care market rates. The Chief Executive Officer may determine reasonable market rates. Child care costs are not eligible for payment or reimbursement if paid to a person who normally or regularly lives with the Councillor, except where a live-in (professional) helper such as a nanny is required to work extra time at extra expenses because of the Councillor's duties.

Child care expense payment or reimbursement claims should be submitted to the Chief Executive Officer and must be accompanied by a receipt from the care provider showing the date and time care was provided and other details nominating the reasons child care was necessary. (e.g.: what Council function/meeting Councillor attended).

### **5.8 Communications Equipment**

Councillors will be provided with the following equipment to allow them to effectively carry out their duties:

- Laptop
- Mobile phone

Councillors will be responsible for all personal related charges. If Council provided equipment cannot be effectively used, alternative equipment including the use of private equipment may be considered, provided that the use was approved prior to its installation.

Administrative support, including photocopying, for work directly related to the duties of office will be provided through the Chief Executive Officer's office.

### **5.9 Stationery**

Council shall, upon request, provide Councillors with standard stationery held or obtained generally for the organisation's requirements.

Requests for stationery should be made to the Executive Assistant to the Mayor and Chief Executive Officer.

### **5.10 Secretarial Services**

Limited administrative support is available to Councillors for work directly related to the duties of the office. All support will be coordinated by the Executive Assistant to the Mayor and Chief Executive Officer.

### **5.11 Protective Clothing**

Council shall provide Councillors with protective clothing as required.

### **5.12 Meetings and Function Rooms**

Subject to availability, meeting/function rooms owned and controlled by Council can be booked by Councillors, free of charge for meetings, interviews and other functions provided they are associated with Council business.

### **5.13 Procedures for Reimbursement of Councillor Expenses**

When a Councillor requires reimbursement of monies expended whilst conducting Council business, provided such expenditure is deemed acceptable under the provisions of this policy, he/she should follow the procedure below:

- Obtain a receipt for any expenditure
- Complete the Councillors' Expense Reimbursement Form
- Attach the relevant receipt to the form and forward it to the Chief Executive Officer

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- The claim will be authorised by the appropriate officer
- The claim will be processed through the Accounts Payable system

### 5.14 Exclusions

Any expenses arising from a breach of road, traffic parking or other regulations or laws, will not be reimbursed or funded in any way by Council.

Claims for expenses, other than those included in the policy, will not be reimbursed, except when they are subject to a Council resolution.

Claims should be lodged monthly with the Chief Executive Officer.

### 5.15 Reporting

Reporting of Councillor direct expenses and claims for reimbursement will be included as part of the financial report which is presented to Council on a quarterly basis.

## 6. Related Policies, Strategies and Legislation

- *Local Government Act, 1989*
- Councillor Code of Conduct

## 7. Council Plan

Adoption of this Policy supports the strategy in the Our Promise Strategic Objective of the Council Plan 2017-2021 to maintain Council's financial sustainability through sound financial and asset management.

## 8. Management and Review

The Chief Executive Officer will monitor the implementation of this Policy and conduct the review of the Policy by March 2021 or earlier, if required by the review of the *Local Government Act*.

## 9. Consultation

Consultation has occurred with Councillors in the review of this Policy.

## 10. Human Rights Charter

This Policy has been developed with consideration of the requirements under the Charter of Human Rights and Responsibilities.