



POLICY NAME: PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS POLICY
POLICY NUMBER: C5000

Date Adopted:	29 April 1997	Author:	Ken Murphy
Dates Amended:	4 September 2000 16 September 2003 22 June 2004 18 January 2005 21 November 2006	Author:	Ken Murphy Gerard McConnell Gerard McConnell Gerard McConnell Gerard McConnell
File Reference:	10/5/13-05 and 10/5/62		
Procedure Reference	The payment of expenses and provision of facilities to Councillors procedural requirements are incorporated within this Policy.		
Objective	<ul style="list-style-type: none"> • 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. 		

POLICY STATEMENT

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, and
2. To ensure that the facilities provided to assist councillors to carry out their civic duties are reasonable.

PART 1 - POLICY AND LEGISLATIVE FRAMEWORK

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*.

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 Department of Local Government.

Section 252 of the *Local Government Act 1993* requires councils to adopt or amend a policy annually for the payment of expenses and the provision of facilities to mayors, deputy mayors and other councillors. Mayors and councillors 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 councillors (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 Department 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.

OTHER GOVERNMENT POLICY PROVISIONS

DLG Guidelines for payment of expenses and provision of facilities

Model Code of Conduct

DLG Circulars to councils

ICAC publications

APPROVAL ARRANGEMENTS

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

GENERAL PROVISIONS

Claiming of Expenses

All claims for expenses are to be in writing and submitted within two months of the expense being occurred. Claims are to be supported by the submission of appropriate receipts and tax invoices.

Allowances and expenses

Where the business of councillors requires councillors to travel from Narrandera and/or obtain overnight accommodation, the actual cost of those expenses and other reasonable incidental expenses shall be met or reimbursed by the council.

Incidental expenses shall include reasonable costs for accommodation, travel, meals and the reasonable cost of drinks accompanying meals, telephone calls, taxi, bus and train fares, parking fees and any other reasonable out-of-pocket expenses.

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

Where a Councillor incurs sustenance expenses that arise from attending to business which has been approved in accordance with this policy, but does not involve an overnight stay and/or absence from the Shire, reimbursement of actual costs incurred will be paid provided that there is adequate substantiation of the expenditure.

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.

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 claim a sustenance allowance in accordance with Council limits per over night stay to be drawn in advance.

Such an allowance is not authority to incur unsubstantiated expenses to that amount. Any expenses paid from the sustenance allowance shall be fully substantiated and the unexpended balance of the sustenance allowance repaid to Council. The pre-payment of the allowance is not to be regarded as a general expenses allowance.

Staff Expenses

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

Establishment of monetary limits and standards

Accommodation

Accommodation is to be reasonable and appropriate to the occasion. As a guide the limit on accommodation in capital cities is \$200 per night and in other centres \$120 per night. Where the accommodation is provided at the facility where the event is being staged (as is the case for the Shires Association Conference), the policy provides for accommodation to be provided at that location even if cost of the accommodation exceeds the nominated limit.

Sustenance

Sustenance shall be paid to Councillors and senior staff on the basis of reasonable expenses as defined above in part 2 of this document.

Childcare

Childcare expenses of up to \$20 per hour and a maximum of \$600 per financial year will be paid to allow councillors to perform official civic duties. The care is not to be provided by someone who normally lives at the Councillor's residence.

Spouse and partner expenses

Council shall meet the cost of the attendance of partners at the conference dinner at the annual conference of the Shires Association of NSW. 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.

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.

SPECIFIC EXPENSES FOR MAYORS AND COUNCILLORS

Attendance at seminars and conferences

A. Shires Association Annual Conference

Council shall be represented at the annual conference of the Shires Association by the Mayor, Deputy Mayor, General Manager and their spouses.

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 Shires Association 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.

B. F Division Conferences and Presidential Tours

It shall be the policy of Council for those councillors wishing to do so to attend conferences of F Division of the Shires Association and the Presidential Tours periodically conducted by the LGSA.

C. 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, should 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 and Shires Associations.

Councils 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.

Training and educational expenses

Council will meet all reasonable expenses associated with training that relates directly to a councillor's duties and obligations as an elected member.

Travel arrangements and expenses

Form of Travel

The Mayor and the General Manger 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.

When travelling by vehicle, a suitable Council vehicle will be provided. If a Council vehicle is not available or it is not feasible to use a Council vehicle, Councillors will be paid the prescribed kilometre rate in the Local Government (State) Award for using their own vehicle. Should a Councillor decide to use their own vehicle when a Council provided vehicle is available, they will be reimbursed on the basis of fuel costs only.

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,
- travel to/from authorised inspections,
- travel to/from Council authorised workshops, courses, seminars or conferences that are held within the area of Narrandera Shire Council.

Reimbursement will not be paid for any travel expense incurred through attending to civic needs except as provided by this policy.

Council staff shall under normal circumstances make arrangements and bookings for travel and accommodation needs.

Care and other related expenses

Child and Other Care

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.

Insurance expenses and obligations

The Mayor and Councillors will be covered by Council's insurance policies in the course of their official duties as elected local representatives. Such coverage will include the following:

- Public Liability (for matters arising out of Councillors' performance of their civic duties and/or exercise of their council functions);
- Professional indemnity (for matters arising out of Councillor's performance of their civic duties and/or exercise of their control functions);
- Personal Injury while on Council business. Note that Councillors are not covered by Workers' Compensation payments and arrangements;
- Travel Insurance for approved intrastate, interstate or overseas travel.

All insurances are subject to the limitations with the insurance policy coverage.

Legal expenses and obligations

Council shall indemnify or reimburse the reasonable legal expenses of:

(a) A councillor defending an action arising from the performance in good faith of a function under the Local Government Act (section 731 refers); or

(b) 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

(c) A councillor for proceedings before the Local Government Pecuniary Interest and Disciplinary Tribunal or an investigative body provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the Tribunal or investigative body makes a finding substantially favourable to the councillor.

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.

Part 3 PROVISION OF FACILITIES

GENERAL PROVISIONS

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.

PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS

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.

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

Acquisition and return of equipment and facilities by Councillors

Councillors are to return to the General Manager any Council owned and provided equipment after the completion of their return of office, extended leave of absence or at the cessation of their civic duties.

If appropriate an option to purchase an item of equipment such as a facsimile machine can be negotiated with the General Manager at a fair market price.

PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR MAYOR

Appropriate secretarial support will be provided for undertaking the duties of Mayor.

Appropriate refreshments and beverages will be provided as required to the mayor for hospitality purposes.

Council shall, if required, provide and maintain a facsimile machine for the use of the Mayor at his/her place of residence.

Council shall provide a mobile telephone for Council use only by the Mayor to a monthly maximum expense of \$100. Any amount above this amount will require endorsement by the full Council.

Council will provide a vehicle for the Mayor on a share arrangement for Councillors and staff for use as travel on Council business whereas the Mayor will retain the vehicle for incidental private use in accordance with requirements of Council's lease back policy.