



POLICY

PAYMENT OF EXPENSES AND THE PROVISION OF FACILITIES TO THE MAYOR, DEPUTY MAYOR AND COUNCILLORS

STATUS:	ADOPTED
ADOPTED:	21 October 2008
MINUTE No:	685
LAST REVISION:	September 2008
LIFESPAN:	1 year
TRIM REF.:	F02139
ISSUED BY:	Executive Services
INQUIRIES:	Executive Officer

OBJECTIVE

The objectives of this policy are to:

- Acknowledge Mayor and Councillor access to facilities and expenses;
- Provide a detailed list of those facilities and expenses;
- Provide direction on how to claim expenses and reimbursements;
- Provide direction on Councillor access to training and development;
- Provide information on legal assistance and processes; and
- Outline the insurance provided for the Mayor and Councillors.

BACKGROUND

Section 252(1) and (2) of the Local Government Act, 1993 provides that a Council must adopt a policy concerning the payment of expenses incurred, or to be incurred, by the Mayor, the Deputy Mayor (if there is one) and the other Councillors. This policy should include details concerning the provision of facilities to the Mayor, Deputy Mayor and Councillors. The policy may provide for fees to be reduced by an amount representing the private benefit to the Mayor or a Councillor of a facility provided by the Council to the Mayor or Councillor. The Council then has the ability to determine what facilities it will provide to elected representatives.

Local Government Act

Section 252 (3) prevents a council from paying any expenses or providing any facilities otherwise than in accordance with such a policy. Section 252 (5) requires that such a policy comply with the regulations.

In addition, Sections 253 and 254 of the Local Government Act 1993 state that before adopting or making any substantial amendments to a policy for the payment of expenses or the provision of facilities, the Council must give at least 28 days public notice of the proposal.

As well, the Council or a Council Committee, all the members of which are Councillors, must not close to the public that part of its meeting at which a policy for the payment of expenses or the provision of facilities is adopted, or at which any proposal concerning those matters is discussed or considered.

Under the LGA provisions, the Council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to the mayor, the deputy mayor (if relevant) and the other councillors in relation to discharging the functions of civic office.

Council

In applying the provisions of the legislation and any guidelines issued by the Department of Local Government and others, to Blue Mountains City Council, it is considered that the Council policy should provide for the payment of appropriate expenses and the provision of the necessary facilities on the basis that:

- It is reasonable and equitable that the Mayor, Deputy Mayor and Councillors should be reimbursed for expenses incurred in properly carrying out the duties of office as elected representatives of the community;
- Elected representatives should have the use of adequate facilities to enable them to appropriately and adequately fulfil their role as responsive and responsible community representatives;
- Claims for expenses and facilities not included in this policy will not be approved;
- Should a Councillor not claim a particular expense or use a particular facility, this cannot be offset against a claim for an additional amount of some other expense or facility;
- This Policy shall be implemented by way of guidelines that emphasise accountability and responsibility. The policy will be reviewed annually by the Council and is open to public scrutiny;
- Councillors are encouraged to limit the use of the expenses and facilities provided for in this Policy to the minimum required to enable them to effectively and efficiently discharge their functions of civic office;
- A public record, open for scrutiny, is to be kept concerning all facilities provided to Councillors and of the total expenses reimbursed to Councillors.

PURPOSE

The purpose of this policy is twofold and ensures:

1. accountability and transparency in the reimbursement of expenses incurred, or to be incurred, by Councillors; and
2. that the facilities provided to assist councillors to carry out their civic duties are equitable and accounted for across the organisation.

This policy is divided into five parts:

1. Facilities for Mayor and Councillors;
2. Expenses;
3. Legal assistance for Councillors;
4. Insurances for Councillors; and
5. Personal benefit.

Each section is addressed separately.

PART 1 - FACILITIES FOR MAYOR AND COUNCILLORS

ANNUAL ALLOWANCE

Pursuant to Section 248 of the Local Government Act 1993, an allowance as determined by Local Government Remuneration Tribunal, will be paid to each Councillor in twelve (12) instalments (monthly in arrears). In addition to this the Mayor will be paid an annual fee in accordance with Section 249 of the Act to be paid in twelve (12) instalments (monthly in arrears).

The annual allowances approved under Sections 248 and 249 of the Local Government Act 1993 are to be reviewed annually by the Local Government Remuneration Tribunal.

Councillors are not entitled to General Allowances.

The annual review of allowances is reported to the Council following determination by the Local Government Remuneration Tribunal. It is then by resolution of the Council whether the recommendations of the tribunal are put into effect.

TAX AND OTHER DEDUCTIONS

The Council may deduct tax instalment deductions and other deductions from Council allowances on a voluntary basis, where authorised in writing by the relevant Councillor.

The deduction of such tax instalments from Council allowances does not jeopardise the non-employee status of the Councillor.

No liability attaches to the Council merely from the act of deducting voluntary tax instalments for Fringe Benefits Tax, Superannuation Guarantee Contributions etc.

Amounts owing by a Councillor relating to fees or expenses for overpayments, reimbursements and/or accompanying partner's expenses may be deducted from amounts due to the Councillor under this policy.

MAYOR

In addition to those facilities provided to the Councillors, the Mayor, in carrying out the duties of that office, is entitled to receive the benefit of the following facilities subject to conditions, without reduction of fees payable under s248 and/or 249 of the Act:

- **Council Vehicle** - the provision of a suitable and appropriate Mayoral vehicle for civic and private use;
- **Appropriate furnished office** within the Civic Centre;
- **Administrative Assistance** associated with any Council function/s, organisations, meetings, publications and the like by Executive Services and other appropriate staff as determined by the General Manager;
- **Office refreshments** – as provided in the Mayoral Office for entertainment purposes;
- **Stationery** – Mayoral letterhead, envelopes and stationery;
- **Office Equipment** – provision of appropriate office equipment such as desktop computer, facsimile machine and photocopier either within the Mayoral Office or shared with the Administration;
- **Mobile/car telephone** – provision of a mobile telephone and car kit subject to the General Conditions applying to the provision of communication equipment as specified in this Policy;
- **Mayoral robes and chains** - Mayoral robes and chains and other insignia of office will be provided to the Mayor to be worn at civic functions.
- **Mayoral Contingency Fund** - a contingency fund of \$7,750 is available to be used within the guidelines for a Mayoral contingency which include but are not limited to:
 - Sponsorship of a LGA event;
 - Undertaking LGA functions;
 - Official Mayoral gifts;
 - Support for LGA charity events; and
 - Donations to causes within the LGA.

COUNCILLORS

To assist Councillors if requested by them, including the Mayor and Deputy Mayor, for

carrying out the duties the following facilities subject to conditions, without reduction (unless otherwise stated) of the fees payable under section 248 of the Act:-

- **Shared office accommodation** within the Civic Centre suitably equipped with office furniture, telephone, computer terminal, shared photocopying and facsimile equipment;
- **Provision of suitable meals and refreshments** associated with Council and specified Council Briefing Sessions, other functions and meetings arranged by Council (where relevant), and meetings of Councillors with Parliamentary representatives, guests, visiting dignitaries and other delegations. **Note: As part of normal protocol, on limited and appropriate occasions, arising from an invitation of the Mayor or General Manager, the Council will meet the reasonable cost of any meals and refreshments of the Mayor's/Councillor's partner at a Council arranged function within Council's boundaries such as Civic Receptions and the like where it is appropriate that a partner attend;**
- **Stationery** – A stationery package to the value of \$500 will be provided to each Councillor during each financial year and will consist of letterhead, business cards, envelopes, with compliments slips, Christmas cards, and a diary. Requests for extra stationery will be considered by the General Manager or his delegate having regard to Circular 04/01 dated 14 January 2004 from the Department of Local Government concerning the Misuse of Council Resources or other similar guidelines issued from time to time;
- **Postage** - Council will meet the Councillor's cost of posting correspondence in response to representations from residents and ratepayers of the City and other correspondence necessary for the purposes of the Councillor's civic office. In this regard, Councillors may use Council's normal in-house mailing facilities but any reasonable request for reimbursement of postage costs will also be met;
- **Council promotional apparel** – Tie/Scarf, Blazers;
- **Carer Facilities** – A Councillor is entitled to the reimbursement of carer expenses for family members (including child care expenses) that are necessary to enable the Councillor to attend Council business. This is subject to a maximum entitlement for such expenses of **\$2,000** each financial year. Appropriate documentation concerning expenditure will be required.

For the purposes of this policy "family" is defined as:

- Parent (including foster and step-parent)
- Legal guardian
- Grandparents
- Spouse (including de facto and same sex partner)
- Parents of spouse
- Child or adult child (including adopted, step, foster and ex-nuptial child)
- Grandchild or Sibling (including half, foster and step-sibling) of the employee or spouse or de facto spouse of the employee
- Relative (i.e. a person related by blood, marriage or affinity) of the employee who is a member of the same household.

Training – Courses within the LGSA can be approved by the General Manager or his/her delegate. Other Councillors training programs are approved by the Council through the Business paper process. The provision of appropriate training courses, workshops/seminars approved by Council resolution, the Mayor, or the General Manager or his/her delegate must be of benefit to the Council and/or relate to the professional development of the Councillor.

- **Furniture – for home use**
 - 1 X 4 drawer Filing cabinet
 - Shelving

- Office Chair
- Computer Desk
- **Equipment**
 - Notebook or desktop computer and monitor with associate peripherals, consumables and software, including printer, keyboard and mouse;
 - Electronic PDA or Mobile telephone and associated accessories (subject to the general conditions relating to communications equipment below);
 - Telephone, facsimile machine, answering machine/tone dialler and modem installed in their place of residence (subject to the general conditions relating to communications equipment below);
- Access to Electronic mail and Internet (including Broadband where possible).
- Interview rooms within the Civic Centre or other Council building that may be required or available from time to time to allow Councillors to meet with residents

GENERAL CONDITIONS RELATING TO THE PROVISION OF THE FACILITIES

The furniture and equipment provided shall remain the property of the Council, and shall be returned to the Council within one week of the Councillor leaving office or on upgrade of that facility by a replacement item.

All equipment and stationery provided under this policy is to be sourced by Council and not individual Councillors.

The Councillor shall be responsible for the good care and proper use of such equipment and to promptly report any faults, malfunctions or needs for service/repair to the Council.

In relation to the communication equipment the Council shall:

- Meet the capital cost of acquisition of the equipment;
- Meet the initial cost of installation, where necessary, of the equipment in the residence of the Councillor, including one (1) separate point for a dedicated line;
- Meet the cost of any maintenance/servicing of the equipment including service call charge;
- Be responsible for no more than \$500 for all consumables, including paper, of the equipment in a financial year.

AND the Councillor shall:

- Make his/her telephone and facsimile numbers available to the public to ensure that he/she is accessible to the residents and ratepayers of the City. Councillors should reply to residents and ratepayers communications in a timely manner;
- Identify all mobile telephone calls associated with his/her duties as a Councillor on his/her mobile telephone account. If the Councillor does not provide this information consideration will be given to cancelling this facility or deducting relevant charges from the Councillor Fee;
- A maximum of \$200 (including GST) a month in calls can be made by Councillors (mobiles, landlines and facsimile calls) on Council business. For the Mayor this amount is \$310 (including GST). Monthly phone statements are provided to Councillors for reconciliation. Executive Services provide reconciliation to Councillors at the end of each quarter; and
- Meet the cost of any private usage (eg not business calls on Council's behalf).

In relation to Stationary:

- Council letterheads may be used by Councillors only for the purpose of communicating with constituents on matters of general Council concern;
- The letterhead cover must **NOT** be used for promoting the political interests of

- Councillors or of any State or Federal Political Party or representative;
- Council's letterhead should not be used to express opinions or beliefs which are in contradiction to a decision which has been made, or policy adopted, by Council;
- Council will not be held responsible for the content of correspondence distributed under the hand of an individual Councillor and reserves the right to withdraw the supply of the letterhead from individual Councillors at any time should this policy be contravened;
- Councillor letterhead/facsimile cover page shall be the Council's normal letterhead with the contact details of the Councillor. Groups and affiliations are not to be displayed on Council supplied letterhead;
- Council stationery is not to be converted or modified in any way; and
- In addition Councillor letterhead supplied to Councillors may carry the following disclaimer:

"The statements made in this correspondence are the view of the individual Councillor and do not necessarily reflect the views or the position of the Council or Management of Blue Mountains City Council".

- Requests for issues of stationery, furniture and/or equipment shall be made to the Executive Officer or the Administration Officer, Executive Services;
- Councillors with special needs (for example, sight or hearing impairment) will be provided with facilities to enable them to maximise their participation in the civic duties and business of the Council.; and
- The stationery package for Councillors is \$500 per annum. Executive Services provide reconciliation to Councillors at the end of each quarter.

PART 2 – EXPENSES

TRANSPORT TO AND FROM MEETINGS

- Councillors may claim kilometre allowance for use of private vehicles when used to travel (including return) between their place of residence and:
 - Council or Committee meetings;
 - Inspections within the Council's area;
 - Public meetings convened by the Council;
 - Meetings as a duly authorised Council delegate;
 - Official functions, deputations and/or social events where the Councillor has been invited as a representative of Council and/or the Mayor or as a Councillor; or
 - Meetings with community members to discuss issues of concern;
- Travelling expenses and/or other expenses are not payable where a Councillor attends community meetings not relevant to the duties of a Councillor, fund raising activities and/or rallies held by or for political parties or for social events or functions where they are not clearly associated with their duties as a Councillor;
- Kilometre rates for such travel will be paid at the rate set by the appropriate Local Government Industrial Award, as at the date of travel;
- Private Cars used on Council business must be comprehensively insured;
- Council will meet the cost incurred of authorised travel by public transport or taxi in the circumstances listed above on the production of the necessary receipts;
- Payment is subject to a formal claim form being lodged not later than three (3) months after the travel occurred and/or not later than one (1) month after ceasing to hold office;
- Documentary evidence of expenditure is to be submitted with a claim form wherever possible, as per Attachment 1; and

- Reasonable transport provisions will be made for Councillors who are unable or unwilling to drive a vehicle because of illness or disability.

FUNCTIONS COSTS

Definitions of Functions

Under this section functions are defined as conferences, seminars, congresses, Sister City relationships, forums, workshops, training courses, meetings, deputations, information and training sessions, events etc related to the local Government industry and agreed by the Council. The following guidelines also apply:

- Functions should potentially be of benefit to Council and/or relate to the professional development of the Councillor.;
- Approval for Councillors to attend conferences and Sister City overseas visits, must be given by resolutions of Council, whereas other activities within the Definition of Functions (above) in which involve the booking of overnight accommodation and/or professional training type activities, will only be reimbursed if prior approval of attendance is given by the Mayor, General Manager or his/her delegate;
- Expenditure incurred by Councillors for attendances at functions as defined in Definitions of Functions (above) that have not been notified or approved appropriately or are subsequently deemed to fall outside this policy will not be reimbursed;
- The Council will pay all normal registration costs for the Councillor which are charged by the organisers of functions, including in the case of conferences and seminars those relating to official luncheons, dinners and tours/inspections which are relevant to the interests of the Council or to assist the Councillor to discharge the functions of his/her civic office;
- Councillors will provide a report back to the Council about the conference within three months from the end of the conference;
- The Council will pay reasonable accommodation costs including the night before and/or after the conference where this is necessary because of travel and/or function timetables;
- Where meals and/or refreshments are required, the Council would normally provide such and where this is not practicable Councillors shall be entitled to claim reimbursement for reasonable cost incurred as per Attachment 2;
- The Councillor's reasonable travel costs to and from the function location and venue will be met by the Council. Councillors are to ensure the most economical method of transport is used at all times;
 - Where appropriate, travel will be provided by air (economy class). Depending on the location or circumstances, it may be more appropriate for travel to be undertaken by car or train;
 - Councillors may not accrue frequent flyer points for personal use when travelling on Council related business when Council has paid for the travel;
 - Where travel by motor vehicle is required a Council vehicle should be used if available. The use of a private vehicle will be subject to the approval by the General Manager or his/her delegate;
 - Councillors using private vehicles in accordance with this Policy may claim the "kilometre" allowance at the date of travel as previously outlined at section 10.3. Vehicle log sheets must be supplied (see Attachment 1- *Travel Expenses incurred in officially*

representing the Council);

- Costs of vehicle hire, taxi fares and parking which are reasonably required and incurred in attending conferences, will be reimbursed by the Council on the production of necessary documentation;
- Overseas travel expenses will be paid in Australian dollars;
- Councillors are personally responsible for all traffic or parking fines incurred while travelling in private or Council vehicles on Council business; and
- Councillors are personally responsible for booking any travel and/or accommodation which is not directly related to Council business that may occur at the beginning or end of a Council function.
- Reasonable out-of-pocket or incidental expenses will be reimbursed for costs associated with attending the conference but excluding expenses of a normal private nature. Only reasonable amounts are claimed or accepted towards necessary out-of-pocket expenses. Incidental expenses are taken to include items such as:
 - Telephone or facsimile calls related to Council business (documentation will need to be provided); and/or
 - Meals not included in the Registration fee.
- Council will meet the cost of social functions and dinners which are arranged by the conference or seminar organisers, as part of the conference or seminar.
- Spouse/Partner - Where the Councillor is accompanied by his/her spouse/partner, the Councillor concerned or his/her spouse/partner will pay for any additional travel, accommodation and/or expenses.

GENERAL CONDITIONS FOR EXPENSE REIMBURSEMENT

- Travel is undertaken with all due expedition, and by the shortest practicable route;
- Only reasonable amounts are claimed or accepted towards necessary out-of-pocket expenses and should be made on a form provided in Attachment 2 or similar;
- Reimbursement can only be provided for expenses that are directly related to Council approved business or functions;
- Out-of-pocket expenses for which amounts are claimed relate only to the verified costs and upon submission of copies of all relevant dockets, receipts and the like being attached to the appropriate form claim for payment or reimbursement as per Attachment 3;
- The maximum reimbursement for out-of-pocket expenses in any financial year is **\$1000**;
- Executive Services provide a half-yearly reconciliation in regard to out-of-pocket expenses;
- Any claim must be made not later than three (3) months after the expenses were incurred or one (1) month after the Councillor ceases to hold office; and/or
- Only in exceptional circumstances will expenses of Councillors be pre-paid and then only on the authorisation from the Mayor or the General Manager or his/her delegate. In the event of an approval being given, a reconciliation of the funds expended, receipts and funds not expended, is to be submitted to the General Manager or his/her delegate following the conclusion of the conference.

PART 3 - LEGAL ASSISTANCE FOR COUNCILLORS

LEGAL ASSISTANCE

Legal proceedings for the purposes of this section is defined as:

- an enquiry, investigation or hearing into the conduct of a Councillor; by any of:
- the Independent Commission Against Corruption;
- the Office of the Ombudsman;
- the Department of Local Government;
- the Police;
- the Director of Public Prosecutions;
- the Local Government Pecuniary Interest Tribunal; or
- other legally constituted investigatory bodies having proper jurisdiction.

Legal proceedings being taken against a Councillor, arising out of or in connection with the Councillor's performance of his or her civic duties or exercise of his or her functions as a councillor, may be reimbursed if approved by the General Manager.

Council shall reimburse a Councillor, at the conclusion of legal proceedings (including any appeal), for all legal expenses properly and reasonably incurred on a solicitor/client basis, including the costs of proceedings for the recovery of costs against the other party to the proceedings.

A Councillor shall only be entitled to reimbursement provided that:

- the Councillor will diligently pursue the recovery of any costs which he/she is awarded in the proceedings;
- the amount of such reimbursement shall be reduced by the amount of any moneys that are recovered by the Councillor on any basis and upon any recovery being made after reimbursement from the Council, the amount recovered shall be paid to the Council;
- the proceedings result in a decision which is in favour of the Councillor; and
- the Councillor submits a Statutory Declaration which details his/her contributions to legal bills and any contributions received by the Councillor in respect to such matters.

The Council will not be liable for legal expenses where a Councillor initiates a legal action.

PART 4 – INSURANCES FOR COUNCILLORS

Council will provide Councillors' insurances required in carrying out their civic office functions:

- **Personal injury:** while ever on Council business, Council insurance will cover Councillors who incur costs as a result of bodily injury caused by accidental, violent, external and visible means. Such insurance shall also cover permanent disablement, temporary total disability and temporary partial disability. This provision is subject to any limitations or conditions as set out in the Council's policy of insurance, which is, at the discretion of the Council, taken out;
- **Professional Indemnity:** for matters a Councillor shall become legally liable to pay arising out the Councillor's performance of civic duties or exercise of his/her functions as Councillor, provided the performance or exercise of the relevant civic duty or function is in the opinion of Council, bona fide and/or proper. This provision is subject to any limitations or conditions as set out in the Council's policy of insurance, which is, at the discretion of the Council, taken out;
- **Public Liability** for matters that a Councillor shall become legally liable to pay arising out of Councillor's performance of civic duties or exercise of his/her functions as Councillor, subject to any limitations or conditions as set out in the Council's policy of insurance which is, at the discretion of the Council, taken out; and

- Travel Insurance for interstate and overseas travel for Councillors on Council business.

PART 5 – PERSONAL BENEFIT

Where the General Manager or their delegate identifies that a Councillor has received a Personal Benefit from a nominated expense, the expense will be disallowed.

REPORTING

Section 428 of the Local Government Act 1993 requires Councils to include in their Annual Report:

- the Council 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; and
- additional information as required by the Local Government (General) Regulation 2005.

RELEVANT LEGISLATION

Local Government Act 1993

**COUNCILLOR CLAIM FORM
BLUE MOUNTAINS CITY COUNCIL**

TRAVEL EXPENSES

Claimant: **Councillor**

Please submit claims MONTHLY. Claim for month of, 20
.....

Date	Meeting/Function Attended or Nature of Expense	Location	Distance Travelled Km	Amount Claimed	
				\$	c
Total this claim:				\$	

Note: The rate per kilometre is \$0.64 for engines under 2.5 litre and \$0.73 for engines over 2.5 litre.

I certify that the above expenses were incurred by me and are in accordance with Council's currently adopted policy for the payment of expenses and provision of facilities.

Signature of Councillor: Date:

Please Note: All available documentation in support of this claim should be attached.

OFFICE USE ONLY	Checked/Approved for Processing:
Previous Claim: \$
This Claim: \$	Date:
Total to Date: \$	

