



Somerset

REGIONAL COUNCIL

Policy Subject/Title: COUNCILLORS' REIMBURSEMENT OF EXPENSES
POLICY

Policy Number: EX001

Responsible Officer: Manager Corporate & Community
Services

Legislative or Regulatory Reference: Local Government Act Section 250 AS

Related Policies / Procedures: N/A

Application: Somerset Regional Council

Authorised by: Somerset Regional Council

Considered at: Ordinary Council Meeting 11 March 2009

Authorised on: Ordinary Council Meeting 11 March 2009

Implemented from: 14 March 2009

Last Reviewed: N/A

Review History: N/A

To be Reviewed on: October 2012

1. **OBJECTIVE**

The objective of this policy, when approved by the Chief Executive of the Department, and adopted by the Council, is to authorise the:

- Payment of reasonable expenses incurred, or to be incurred, by Councillors, and
- Provision of facilities to assist Councillors in discharging their duties and responsibilities.

2. **PURPOSE**

The purpose of the policy is to ensure that Councillors, including the Mayor, can receive reimbursement of reasonable expenses and be provided with necessary facilities in performance of their role.

3. **SCOPE**

This policy applies to the Mayor, Deputy Mayor and Councillors. This policy deals with reimbursement of expenses or provision of a facility to Councillors, but does not apply to the conduct of civic functions or the remuneration of Councillors.

It is the responsibility of Council to use its discretion and decide what is required by Councillors in carrying out their civic responsibilities taking into account the role of the Councillor, Council's annual budget and community expectations.

Council must be mindful of the principles set out in the guidelines and the legislative requirements of the Act when determining legitimate types of expenses and facilities for Councillors.

4. **PRINCIPLES**

This policy has been written to be compliant with the four (4) underpinning principles set by the Minister - ie:

- Use of Public Money in the public interest by responsible budgeting and accounting;
- Fair and reasonable allocation of Council resources (allowances, facilities and other benefits);
- Transparent decision-making by public disclosure of policy and resolutions, and
- Accountability for expenditure and use of facilities through full justification and acquittal.

5. **BACKGROUND**

5.1 **Legislation**

Section 250 AR of the Local Government Act 1993 requires the Council to adopt, by resolution, an expenses reimbursement and provision of facilities policy that complies with the requirements under the Act and any relevant guidelines issued by the Chief Executive (Director-General, Department of Local Government, Sport and Recreation).

It is important to note that Section 250 AK of the Act states that decisions regarding the payment of expenses and provision of facilities are separate from the decisions regarding the remuneration entitlements of Councillors and

Mayors.

Relevant Sections of the Act are:

Section 236 B	Reimbursement of expenses and provision of facilities for Councillors of local governments
Section 250 AR	Requirement to adopt expenses reimbursement policy
Section 250 AS	Amending expense reimbursement policy
Section 250 AT	Notification of adoption of expenses reimbursement policy
Section 250 AV	Meetings in public about expenses reimbursement policy.

5.2 Related Policies

See also: Councillors Code of Conduct
Purchasing Policy

6. DEFINITIONS

Chief Executive of the Department: The Director-General of the Department of Local Government Sport and Recreation.

Council Business: Activities conducted on behalf of Council where a Councillor is required to undertake certain tasks to satisfy legislative requirements, perform ceremonial activities, or achieve business objectives of the Council. Council business should result in a benefit being achieved either for the local government and/or the local community. This includes:

- Preparing for, attending and participating in Council meetings, committee meetings, workshops, deputations and inspections;
- Attending conferences of local government industry associations or professional bodies (ie LGAQ, UDIA AIOP, etc);
- Attending civic ceremonies and community events such as representing Council at Anzac Day ceremonies or opening a school fete, where they have been formally invited in their capacity as Councillor to undertake the official duty;
- Attending public meetings, annual meetings or presentation dinners where invited as a Councillor;
- Attending meetings of community groups (Scout Associations, Progress Associations, etc) where invited to speak about Council Programs or initiatives.

Attending or participating in a community event, community group, private meetings or inspection with constituents, or being a representative on a board as a community member is not regarded as 'Official Council Business.'

Councillors: Includes the Mayor, Deputy Mayor and other Councillors, unless specifically identified.

Expenses: Expenses are payments reasonably incurred, or to be incurred, in connection with Councillors discharging their duties. The expenses may be

either reimbursed to Councillors or paid direct by Council for something that is deemed a necessary cost or charge. Expenses are not included as remuneration.

Facility: Facilities provided to Councillors that are the “tools of trade” and required to enable them to perform their duties with relative ease and at a standard appropriate to fulfill the community expectation for their role.

Reasonable: Councils must make sound judgments and consider what is prudent, responsible and acceptable to the community when determining appropriate levels of facilities and expenditure.

7. PAYMENT OF EXPENSES

Expenses will be paid to a Councillor through administrative processes approved by Council’s Chief Executive Officer subject to:

- the limits outlined in this policy;
- Council endorsement by resolution, where required;
- in the case of reimbursement of expenses production of receipts and tax invoices or evidence that such expenses have been paid is required prior to reimbursement; and
- expense reimbursement must be claimed within two (2) months of such expense having been paid by the Councillor and claims for reimbursements outside of this period will not be accepted.

7.2 Expense Categories

(a) Professional Development /Conferences /Workshops /Training Council will reimburse expenses incurred for:

- attendance at Regional, State or National Local Government associated conferences, subject to attendance approved by Council;
- attendance at Regional meetings and workshops associated with a Councillor’s responsibilities;
- mandatory professional development as approved by Council; and
- discretionary professional development deemed essential by Council for the Councillor’s role and subject to a limit of \$5000 for each Councillor during their current term of office.

(b) Travel as required to represent Council

Council may reimburse local and, in some cases, interstate and overseas travel expenses (eg flights, car, accommodation, meals and associated registration fees) deemed necessary to achieve the business of Council where:

- a Councillor is an official representative of Council; and
- the activity/event and travel have been endorsed by resolution of Council.

Councillors are to travel via the most direct route, using the most economical and efficient mode of transport.

Council will pay for reasonable expenses incurred for overnight accommodation when a Councillor is required to stay outside the local government’s region.

All fines incurred while travelling in either Council or privately owned vehicles when attending to Council business, will be the responsibility of the Councillor incurring the fine. This does not include toll fees.

(c) Travel Bookings

All Councillor travel approved by Council will be booked and paid for by Council.

Economy class is to be used where possible although Council may approve business class in certain circumstances. Airline tickets are not transferable and can only be procured for the Councillor's travel on Council business. They cannot be used to offset other unapproved expenses (eg cost of partner or spouse accompanying the Councillor).

(d) Travel/Transfer Costs

Any travel/transfer expenses associated with Councillors travelling for Council approved business will be reimbursed.

Example: Trains, taxis, buses and ferry fees, toll fees.

Cab charge vouchers may also be used if approved by Council where Councillors are undertaking duties relating to the business of Council. Council will provide reimbursement for parking costs paid by Councillors while attending to official Council business.

(e) Private Vehicle Usage

Councillors' private vehicle usage may be reimbursed at the rate provided in the *Minister for State Development Employment and Industrial Relations Directive No. 6/07* as amended from time to time.

Councillors' private vehicle usage may be reimbursed by Council if the

- travel is for attendance at Council meetings or has been endorsed by resolution of Council;
- claim for reimbursement is substantiated with logbook details; and
- travel claim does not exceed the cost of the same travel using economy flights plus the cost of taxi transfers.

(f) Accommodation

All Councillor accommodation for Council business will be booked and paid for by Council. Council will pay for the most economical deal available. Where possible, the minimum standards for Councillors' accommodation should be three or four star rating.

Where particular accommodation is recommended by conference organisers, Council will take advantage of the package deal that is the most economical and convenient to the event.

Where accommodation is provided outside of the region, Council may pay an additional Incidental Daily Allowance of \$20.00 per day to cover additional incidental costs (phone calls, newspapers, laundry/dry cleaning etc) incurred while Councillors are travelling and staying away from home overnight.

(g) Meals

Councillors are entitled to be reimbursed for the cost of a meal when:

- the Councillor incurs the cost personally; and
- the meal was not provided within the registration costs of the approved activity/event or during an approved flight.

Any meal reimbursements shall not be more than \$40 per meal or more than \$100 per day.

No alcohol will be reimbursed by Council.

(h) Hospitality Expenses

Council may reimburse the Mayor up to \$1000 per annum for hospitality expenses deemed necessary in the conduct of Council business.

8. FACILITIES**8.1 Provision of Facilities**

All facilities provided to councillors remain the property of council and must be returned to Council when a Councillor's term expires.

8.2 Private use of Council-owned facilities

Based on the principle that *no private benefit is to be gained* the facilities provided to Councillors by local governments are to be used only for council business unless prior approval has been granted by resolution of Council.

The Council resolution authorising private use of Council owned facilities will set out the terms under which the Councillor will reimburse Council for the percentage of private use. This would apply when Councillors have private use of Council owned motor vehicles and/or mobile telecommunication devices.

8.3 Facilities Categories**(a) Administrative tools**

Administrative tools should be provided to Councillors as required to assist Councillors in their role. Administrative tools include:

- office space and meeting rooms
- computers
- stationery
- access to photocopiers
- printers
- facsimile machines
- publications
- use of Council landline telephones and internet access in Council offices

Secretarial support may also be provided for mayors and councillors.

Council may provide a Councillor with home office equipment including computer, internet access if necessary.

(b) Maintenance costs of Council owned equipment

Council will be responsible for the ongoing maintenance and reasonable wear and tear costs of Council owned equipment that is supplied to Councillors for

official business use. This includes the replacement of any facilities which fall under Council's asset replacement program.

(c) Name Badge Safety equipment for Councillors

A local government may provide Councillors with:

- a name badge
- the necessary safety equipment for use on official business, eg safety helmet/boots

d) Use of Council Vehicles on Council Business

Council will provide the Mayor with a sedan vehicle for use during official Council business including travel to and from home to Council place of business. Councillors may access a Council vehicle for use on official business.

(e) Private Use of Vehicles

Private use of Council owned vehicles is permitted if prior approval has been granted by resolution of Council. Council will, in its resolution authorising private use, set out the terms for the Councillor to reimburse Council for such private use.

The Mayor is authorised to use the Council owned vehicle for private use, subject to the contribution of ten percent (10%) of the variable annualised costs for the vehicle to offset private use (if any).

(f) Telecommunications Needs

Council will pay an annual Communications Allowance in the sum of \$1820.00 per annum, payable in fortnightly instalments to Councillors to help defray administrative expenses (eg telephone calls, mobile telephone calls, home internet connection, other network connection costs) paid by Councillors personally in association with their role as a Councillor and to generally address the needs of the local community.

Council will provide Councillors with laptop computers to assist them in undertaking their role and to ensure timely communication with Councillors.

(g) Insurance Cover

A local government will indemnify or insure Councillors in the event of injury sustained while discharging their civic duties. The local government will pay the excess for injury claims made by a Councillor resulting from conducting official Council business.

(h) Fuel Costs

Fuel for a Council owned vehicle used for official Council business, will be provided or paid for by Council.

9. CLAIMS FOR REIMBURSEMENT

All claims for reimbursement of expenses will be made on the approved form and submitted with original receipts to the Chief Executive Officer for approval.

Failure to comply with this policy, falsifying claims or logbooks or the mis-use of facilities may breach the Councillors' Code of Conduct and/or represent an offence under the Criminal Code and may be referred to the Crime and

Misconduct Commission.

10. EFFECTIVE FROM

This policy will take effect from the commencement of the fortnight immediately following its adoption by Council (following the endorsement of the Chief Executive of the Department). The previous Expenses Reimbursement Policy will cease to have effect at this stage.

11. REPORTING

A report summarising all expenditure in relation to this policy shall be included in Council's Annual Report.

12. REVIEW

This policy will be reviewed within three (3) months of the Council's next quadrennial election.

13. DATE OF RESOLUTION

This policy was approved by the Chief Executive Officer and adopted by Somerset Regional Council at the Ordinary Meeting of 11 March 2009.

Signed:

Date: