

Policy No: CS270

Policy Title: Councillor Expenses & Facilities

Section Responsible: Corporate Services

Minute No: 19/094

MagiQ Document No: 406293

Next Review Date: September 2021 (Within 12 months of the 2020 ordinary election)

Objective

The objectives of this policy are to:

- Enable the reasonable and appropriate reimbursement of expenses incurred by councillors while undertaking their civic duties
- Enable facilities of a reasonable and appropriate standard to be provided to councillors to support them in undertaking their civic duties
- Ensure accountability and transparency in reimbursement of expenses and provision of facilities to councillors
- Ensure facilities and expenses provided to councillors meet community expectations
- Support a diversity of representation
- Fulfil the council's statutory responsibilities.

Policy Statement

- The provision of expenses and facilities enables councillors to fulfil their civic duties as the elected representatives of Narrandera Shire Council.
- The community is entitled to know the extent of expenses paid to councillors, as well as the facilities provided.
- The purpose of this policy is to clearly state the facilities and support that are available to councillors to assist them in fulfilling their civic duties.
- Council staff are empowered to question or refuse a request for payment from a councillor when it does not accord with this policy.
- Expenses and facilities provided by this policy are in addition to fees paid to councillors. The minimum and maximum fees a council may pay each councillor are set by the Local Government Remuneration Tribunal as per Section 241 of the Act and reviewed annually.

Scope

This policy applies to the Mayor and all Councillors.

Definitions

Term	Definition
Accompanying person	Means a spouse, partner or de facto or other person who has close personal relationship with or provides carer support to a councillor.
Appropriate refreshments	Means food and beverages, excluding alcohol, provide by council to support councillors undertaking official business
Act	Means the <i>Local Government Act 1993 NSW</i>
Clause	Unless stated otherwise, a reference to a clause of this policy
Code of Conduct	Means the Code of Conduct adopted by Council or the Model Code if none is adopted
Councillor	Means a person elected or appointed to civic office as a member of the governing body of council who is not suspended, including the mayor
General Manager	Means the General Manager of council and includes their delegate or authorised representative
Incidental personal use	Means use that is infrequent and brief and use that does not breach this policy or the Code of Conduct
Long distance intrastate travel	Means travel to other parts of NSW of more than three hours duration by private vehicle
NSW	New South Wales
Official business	Means functions that the Mayor or Councillors are required or invited to attend to fulfill their legislated role and responsibilities for council or result in a direct benefit for council and/or for the local government area, and includes: <ul style="list-style-type: none"> • Meetings of Council and committees of the whole • Meetings of committees facilitated by council • Civic receptions hosted or sponsored by council • Meetings, functions, workshops and other events to which attendance by a councillor has been requested or approved by council
Professional development	Means a seminar, conference, training course or other development opportunity relevant to the role of a councillor or the mayor.
Regulation	Means the <i>Local Government (General) Regulation 2005 NSW</i>
Year	Means the financial year, that is the twelve months commencing on 1 July each year

Principles

Council commits to the following principles:

- **Proper conduct:** councillors and staff acting lawfully and honestly, exercising care and diligence in carrying out their functions
- **Reasonable expenses:** providing for councillors to be reimbursed for expenses reasonably incurred as part of their role as councillor
- **Participation and access:** enabling people from diverse backgrounds, underrepresented groups, those in carer roles and those with special needs to serve as a councillor
- **Equity:** there must be equitable access to expenses and facilities for all councillors
- **Appropriate use of resources:** providing clear direction on the appropriate use of council resources in accordance with legal requirements and community expectations
- **Accountability and transparency:** clearly stating and reporting on the expenses and facilities provided to councillors.

Private or political benefit

- Councillors must not obtain private or political benefit from any expense or facility provided under this policy.
- Private use of council equipment and facilities by councillors may occur from time to time. For example, telephoning home to advise that a council meeting will run later than expected.
- Such incidental private use does not require a compensatory payment back to council.
- Councillors should avoid obtaining any greater private benefit from Council than an incidental benefit. Where there are unavoidable circumstances and more substantial private use of council facilities does occur, councillors must reimburse the council.
- Campaigns for re-election are considered to be a political benefit. The following are examples of what is considered to be a political interest during a re-election campaign:
 - production of election material
 - use of council resources and equipment for campaigning
 - use of official council letterhead, publications, websites or services for political benefit
 - fundraising activities of political parties or individuals, including political fundraising events.

Relationship between Annual Fees and Expenses

It is noted that Councillor annual fees do not fall within the scope of this policy.

Council has resolved that:

Having regard to the Local Government Remuneration Tribunal's determination of a fee range for Councillors and the Mayor, Council shall always pay the maximum fees as determined by the Tribunal for the category into which Council has been classified.

Councillors are to be paid monthly in arrears in accordance with the provisions of the Act.

Expenses

1. General expenses

- 1.1. All expenses provided under this policy will be for a purpose specific to the functions of holding civic office. Allowances for general expenses are not permitted under this policy.
- 1.2. Expenses not explicitly addressed in this policy will not be paid or reimbursed.

2. Specific expenses

General travel arrangements and expenses

- 2.1. All travel by councillors should be undertaken using the most direct route and the most practicable and economical mode of transport.
- 2.2. Each councillor may incur expenses to a total of \$3000 per year, and the mayor to a total of \$6000 per year, for travel expenses while undertaking official business or professional

development or attending approved conferences and seminars within NSW. This includes expenses:

- for public transport fares
 - for the use of a private vehicle or hire car
 - for parking costs for Council and other meetings
 - for tolls
 - by Cab charge card or equivalent
 - for documented ride-share programs, such as Uber, where tax invoices can be issued.
- 2.3. Allowances for the use of a private vehicle will be reimbursed by kilometre at the rate contained in the Local Government (State) Award. Should a Councillor decide to use a private vehicle when a Council provided vehicle is available, reimbursement will be on the basis of fuel costs only on presentation of receipts. Reimbursement for use of a Councillor's private vehicle is available if the distance travelled for each individual trip is greater than ten kilometres for each individual trip.
- 2.4. Councillors seeking to be reimbursed for use of a private vehicle must keep a log book recording the date, distance and purpose of travel being claimed. Copies of the relevant log book contents must be provided with the claim.
- 2.5. 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 up to the daily limit will be paid provided that there is adequate substantiation of the expenditure.

Interstate, overseas and long distance intrastate travel expenses

Council will scrutinise the value and need for councillors to undertake overseas travel. Councils should avoid interstate, overseas and long distance intrastate trips unless direct and tangible benefits can be established for the council and the local community. This includes travel to sister and friendship cities.

- 2.6. Total interstate, overseas and long distance intrastate travel expenses for all councillors will be capped at a maximum of \$4000 per year. This amount will be set aside in Council's annual budget.
- 2.7. Councillors seeking approval for any interstate and long distance intrastate travel must submit a case to, and obtain the approval of, the general manager prior to travel.
- 2.8. Councillors seeking approval for any overseas travel must submit a case to, and obtain the approval of, a full council meeting prior to travel.
- 2.9. The case should include:
- objectives to be achieved in travel, including an explanation of how the travel aligns with current council priorities and business, the community benefits which will accrue as a result, and its relevance to the exercise of the councillor's civic duties
 - who is to take part in the travel
 - duration and itinerary of travel
 - a detailed budget including a statement of any amounts expected to be reimbursed by the participant/s.
- 2.10. For interstate and long distance intrastate journeys by air of less than three hours, the class of air travel is to be economy class.

- 2.11. For interstate journeys by air of more than three hours, the class of air travel may be premium economy.
- 2.12. For international travel, the class of air travel is to be premium economy if available. Otherwise, the class of travel is to be economy.
- 2.13. Bookings for approved air travel are to be made through the general manager's office.
- 2.14. For air travel that is reimbursed as council business, councillors will not accrue points from the airline's frequent flyer program. This is considered a private benefit.

Travel expenses not paid by Council

- 2.15. Council will not pay any traffic or parking fines or administrative charges for road toll accounts.

Accommodation and meals

- 2.16. Council will reimburse costs for accommodation and meals while councillors are undertaking prior approved travel or professional development outside the Riverina region.
- 2.17. The daily limits for accommodation and meal expenses within Australia are to be consistent with those set out in Appendix 1 attached.
- 2.18. The daily limits for accommodation and meal expenses outside Australia are to be determined in advance by the general manager, being mindful of Clause 2.17.
- 2.19. Councillors will not be reimbursed for alcoholic beverages.

Refreshments for council related meetings

- 2.20. Appropriate refreshments will be available for council meetings, council committee meetings, councillor briefings, approved meetings and engagements, and official council functions as approved by the general manager.
- 2.21. As an indicative guide for the standard of refreshments to be provided at council related meetings, the general manager must be mindful of Part B Monetary Rates of the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award, as adjusted annually.
- 2.22. After each Council meeting Councillors may attend a fellowship dinner where Councillors will pay for their own meal and drinks.

Council will pay for the annual Christmas dinner for each Councillor and their guest and the End of Council term dinner for each Councillor and their guest.

Professional development

- 2.23. Council will set aside \$20,000 annually in its budget to facilitate professional development of councillors through programs, training, education courses and membership of professional bodies.
- 2.24. In the first year of a new council term, Council will provide a comprehensive induction program for all councillors which considers any guidelines issued by the Office of Local Government (OLG). The cost of the induction program will be in addition to the ongoing professional development funding.
- 2.25. Annual membership of professional bodies will only be covered where the membership is relevant to the exercise of the councillor's civic duties, the councillor actively participates in the

body and the cost of membership is likely to be fully offset by savings from attending events as a member.

- 2.26. Approval for professional development activities is subject to a prior written request to the general manager outlining the:
- details of the proposed professional development
 - relevance to council priorities and business
 - relevance to the exercise of the councillor's civic duties.
- 2.27. In assessing a councillor request for a professional development activity, the general manager must consider the factors set out in Clause 2.26, as well as the cost of the professional development in relation to the councillor's remaining budget.

Conferences and seminars

- 2.28. Council is committed to ensuring its councillors are up to date with contemporary issues facing council and the community, and local government in NSW.
- 2.29. Council will set aside a total amount of \$20,000 annually in its budget to facilitate councillor attendance at conferences and seminars. This allocation is for all councillors. The council will ensure that access to expenses relating to conferences and seminars is distributed equitably.
- 2.30. Approval to attend a conference or seminar is subject to a written request to the council. In assessing a councillor request, the general manager must consider factors including the:
- relevance of the topics and presenters to current council priorities and business and the exercise of the councillor's civic duties
 - cost of the conference or seminar in relation to the total remaining budget.
- 2.31. Council will meet the reasonable cost of registration fees, transportation and accommodation associated with attendance at conferences approved by the council. Council will also meet the reasonable cost of meals when they are not included in the conference fees. Reimbursement for accommodation and meals not included in the conference fees will be subject to Clauses 2.15-2.18.
- 2.32. After returning from a 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 NSW.
- 2.33. Local Government NSW Annual Conference

Council shall be represented at the annual conference of the Association by the Mayor, Deputy Mayor, Chief Executive Officer and their accompanying person. Costs for accompanying persons are to cover registration and dinner only.

Additionally, Council shall provide a once only opportunity for a Councillor/s (to a maximum of two Councillors only for each annual Conference to attend the annual conference during the four year term of the Council.

In addition to the delegates nominated above a Councillor not seeking re-election at the next general election and entitled to receive a Local Government NSW 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 certificate.

Information and communications technology (ICT) expenses

- 2.34. Council will provide councillors a tablet with services up to a limit of \$60 per annum in data. Tablets are for the distribution of Council and Committee business papers and for the use by

Councillors at Council and Committee meetings. No paper based reports are provided. Tablets will also be used for a communication link and dissemination of Council information via email.

Special requirement and carer expenses

- 2.35. Council encourages wide participation and interest in civic office. It will seek to ensure council premises and associated facilities are accessible, including provision for sight or hearing impaired councillors and those with other disabilities.
- 2.36. In addition to the provisions above, the general manager may authorise the provision of reasonable additional facilities and expenses in order to allow a councillor with a disability to perform their civic duties.
- 2.37. Councillors who are the principal carer of a child or other elderly, disabled and/or sick immediate family member will be entitled to reimbursement of carer's expenses up to a maximum of \$1000 per annum for attendance at official business, plus reasonable travel from the principal place of residence.
- 2.38. Child care expenses may be claimed for children up to and including the age of 16 years where the carer is not a relative.
- 2.39. In the event of caring for an adult person, councillors will need to provide suitable evidence to the general manager that reimbursement is applicable. This may take the form of advice from a medical practitioner.

Home office expenses

- 2.40. Each councillor may be provided minor items associated with the maintenance of a home office, such as items of consumable stationery and printer ink cartridges.

3. Insurances and Councillor obligations

Council maintains insurance policies which extend benefits to councillors where they are engaged in or on any activity directly or indirectly connected with council including travelling to and from such activity.

Councillors shall notify the General Manager as soon as reasonably practicable of any intention to claim or incur any legal expenses under council's insurance policies.

- 3.1. In accordance with Section 382 of the Local Government Act, council is insured against public liability and professional indemnity claims.
- 3.2. Personal Accident.

Councillors are not covered by council's Workers Compensation scheme. This insurance provides some additional coverage for councillors and their accompanying persons for:

- personal accident (specifically provisions for lump sum payments and weekly benefits)
- payment of indirect medical related expenses not covered by Medicare or private health
- payment of additional expenses such as cancellation and curtailment fees
- travel including general loss of personal and business property, overseas medical expenses and other incidental travel related issues.

- 3.3. Councillor Liability.

This insurance provides some conditional coverage for councillors against claims they have committed a wrongful act resulting in harm or damage to a third party when acting in good faith in the course of their duties for council.

This includes personal financial loss associated with defamation proceedings, the costs of attending formal statutory inquiries (such as the Independent Commission Against Corruption) and general claims or prosecutions of breach of duty or corruption, legal defence costs, the cost of properly investigating any allegations as well as the financial cost of any judgement or settlement made against the insured person.

- 3.4. Insurance protection is only provided if a claim arises 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. All insurances are subject to any limitations or conditions set out in the policies of insurance.
- 3.5. Council shall pay the insurance policy excess in respect of any claim accepted by council's insurers, whether defended or not.

4. Legal assistance

- 4.1. The reasonable legal expenses of a councillor may only be met for legal proceedings being taken against a councillor in defending an action arising from the performance in good faith of a function under the Act or any other Act (as per section 731 of the Act) or defending an action of defamation, provided that the outcome of the legal proceedings is favourable to the councillor.

In addition, legal costs may only be provided where the investigative or review body makes a finding that is not substantially unfavourable to the councillor. This may include circumstances in which a matter does not proceed to a finding. In relation to a councillor's conduct, a finding by an investigative or review body that an inadvertent minor technical breach had occurred may not necessarily be considered a substantially unfavourable outcome.

Council after forming the view that a councillor has acted in good faith as required under Section 731 of the Act (determination of this view can require council to seek legal advice) may, if requested, 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
 - 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
 - a councillor for proceedings before an appropriate investigative or review body, provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the matter has proceeded past any initial assessment phase to a formal investigation or review and the investigative or review body makes a finding substantially favourable to the councillor.
- 4.2. In the case of a code of conduct complaint made against a councillor, legal costs will only be made available where the matter has been referred by the general manager to a conduct reviewer and the conduct reviewer has commenced a formal investigation of the matter and makes a finding substantially favourable to the councillor.
 - 4.3. Legal expenses incurred in relation to proceedings arising out of the performance by a councillor of his or her functions under the Act are distinguished from expenses incurred in relation to proceedings arising merely from something that a councillor has done during his or her term in office.
 - 4.4. Reimbursement of expenses for reasonable legal expenses must have Council approval by way of a resolution at a council meeting prior to costs being incurred. Costs reimbursed will be net of any award of costs made to a councillor.
 - 4.5. Any reimbursement of costs to a councillor will be capped at the amount specified in the councillors liability insurance policy and the claim approved by the insurer. Should any costs be incurred in excess of these amounts Council may, in its absolute discretion, approve payment by resolution of Council.

- 4.6. Council will not meet the legal costs:
 - of legal proceedings initiated by a councillor under any circumstances
 - of a councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation
 - for legal proceedings that do not involve a councillor performing their role as a councillor.
- 4.7. Councillors shall inform the Mayor and General Manager of their intention to lodge a claim for expenses relating to legal expenses.

Facilities

5. General facilities for all councillors

Facilities

- 5.1. Council will provide the following facilities to councillors to assist them to effectively discharge their civic duties:
 - personal protective equipment for use during site visits
 - a name badge which may be worn at official functions, indicating that the wearer holds the office of a councillor and/or mayor or deputy mayor.
- 5.2. Councillors may book meeting rooms for official business in a specified council building at no cost. Rooms may be booked through a specified officer in the General Manager's office or other specified staff member.
- 5.3. The provision of facilities will be of a standard deemed by the general manager as appropriate for the purpose.

Stationery

- 5.4. Council will provide the following stationery to councillors each year:
 - letterhead, to be used only for correspondence associated with civic duties
 - business cards

Administrative support

- 5.5. Council will provide administrative support to councillors to assist them with their civic duties only. Administrative support may be provided by staff in the General Manager's office or by a member of council's administrative staff as arranged by the general manager or their delegate.
- 5.6. Council staff are expected to assist councillors with civic duties only, and not assist with matters of personal or political interest, including campaigning.

6. Additional facilities for the mayor

- 6.1. Council will provide the mayor with a furnished office with telephone and meeting space.
- 6.2. Council shall provide a mobile telephone for Council use only to a monthly maximum expense of \$150. Any amount above this amount will require endorsement by the full Council.
- 6.3. Appropriate refreshments and beverages (including alcohol) will be provided as required to the Mayor for hospitality purposes.
- 6.4. In performing his or her civic duties, the mayor will be assisted by staff providing administrative and secretarial support, as determined by the general manager.

- 6.5. Staff in the mayor's office are expected to work on official business only, and not for matters of personal or political interest, including campaigning.

Processes

7. Approval, payment and reimbursement arrangements

- 7.1. Expenses should only be incurred by councillors in accordance with the provisions of this policy.
- 7.2. Approval for incurring expenses, or for the reimbursement of such expenses, should be obtained before the expense is incurred.
- 7.3. Up to the maximum limits specified in this policy, approval for the following may be sought after the expense is incurred:
- local travel relating to the conduct of official business
 - carer costs
- 7.4. Final approval for payments made under this policy will be granted by the general manager or their delegate.

Direct payment

- 7.5. Council may approve and directly pay expenses. Requests for direct payment must be submitted to the General Managers Office for assessment against this policy using the prescribed form, with sufficient information and time to allow for the claim to be assessed and processed.

Reimbursement

All claims for reimbursement of expenses incurred must be made on the prescribed form, supported by appropriate receipts and/or tax invoices and be submitted to the General Managers Office.

Notification

- 7.6. If a claim is approved, council will make payment directly or reimburse the councillor through accounts payable.
- 7.7. If a claim is refused, council will inform the councillor in writing that the claim has been refused and the reason for the refusal.

Reimbursement to council

- 7.8. If council has incurred an expense on behalf of a councillor that exceeds a maximum limit, exceeds reasonable incidental private use or is not provided for in this policy:
- council will invoice the councillor for the expense
 - the councillor will reimburse council for that expense within 14 days of the invoice date.
- 7.9. If the councillor cannot reimburse council within 14 days of the invoice date, they are to submit a written explanation to the general manager. The general manager may elect to deduct the amount from the councillor's allowance.

Timeframe for reimbursement

Unless otherwise specified in this policy, councillors must provide all claims for reimbursement within three months of an expense being incurred. Claims made after this time cannot be approved.

8. Disputes

- 8.1. If a councillor disputes a determination under this policy, the councillor should discuss the matter with the general manager.
- 8.2. If the councillor and the general manager cannot resolve the dispute, the councillor may submit a notice of motion to a council meeting seeking to have the dispute resolved.

9. Return or retention of facilities

- 9.1. All unexpended facilities or equipment supplied under this policy are to be relinquished immediately upon a councillor or mayor ceasing to hold office or at the cessation of their civic duties.
- 9.2. Should a councillor desire to keep any equipment allocated by council, then this policy enables the councillor to make application to the general manager to purchase any such equipment. The general manager will determine an agreed fair market price or written down value for the item of equipment.
- 9.3. The prices for all equipment purchased by councillors under Clause 9.2 will be recorded in Council's annual report.

10. Publication

- 10.1. This policy will be published on council's website.

11. Reporting

- 11.1. Council will report on the provision of expenses and facilities to councillors as required in the Act and Regulations.
- 11.2. Detailed reports on the provision of expenses and facilities to councillors will be publicly tabled at a council meeting every six months and published in full on council's website. These reports will include expenditure summarised by individual councillor and as a total for all councillors.

12. Auditing

- 12.1. The operation of this policy, including claims made under the policy, will be included in council's internal audit program and an audit undertaken as part of the internal audit schedule.

13. Breaches

- 13.1. Suspected breaches of this policy are to be reported to the general manager.
- 13.2. Alleged breaches of this policy shall be dealt with by following the processes outlined for breaches of the Code of Conduct, as detailed in the Code and in the Procedures for the Administration of the Code.

Related Legislation/Guidelines/Narrandera Policies and Associated Procedures

Relevant legislation and guidance:

- Local Government Act 1993, Sections 252 and 253
- Local Government (General) Regulation 2005, Clauses 217 and 403
- Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW, 2009
- Local Government Circular 09-36 Guidelines for Payment of Expenses and Facilities
- Local Government Circular 05-08 legal assistance for Councillors and Council Employees.

Related Council policies:

- Code of Conduct

Policy History

Adopted by ELT 4 February 2019
Adopted by Council 21 May 2019
Reviewed
Amended



Signed: General Manager

Date: 3 June 2019.....

Appendix 1 – Expense Summary

All monetary amounts are exclusive of GST.

Expense or facility	Maximum amount	Frequency
General travel expenses	\$3000 per councillor \$6000 for the Mayor	Per year
Interstate, overseas and long distance intrastate travel expenses	\$4000 total for all councillors	Per year
Accommodation	Actual up to daily limit:- <ul style="list-style-type: none"> · State capitals & Canberra \$350 · Regional Cities \$250 · Country \$200 	Per night
Meals	At Cost. Daily limit \$100	Per Day
Professional development	\$20,000 total for all councillors	Per year
Conferences and seminars	\$20,000 total for all councillors	Per year
ICT expenses	\$60 per councillor data \$1800 Mayor mobile phone	Per year
Carer expenses	\$1000 per councillor	Per year
Home office expenses	Provided to all councillors minor items such as consumable stationery and printer ink cartridges	Not relevant
Furnished office	Provided to the mayor	Not relevant
Use of a private vehicle (trip >10klm no council vehicle available)	By kilometre at the rate contained in the Local Government (State) Award	Not relevant
Use of a private vehicle (trip >10klm when council vehicle available)	Fuel costs only on presentation of receipts	Not relevant