



Draft Policy 1103 - Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Other Councillors

1. Intent of Policy

To ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors. The policy also ensures that the facilities provided to assist Councillors to carry out their civic duties are reasonable, non-discriminatory and used in an equitable manner to enable the full participation by Councillors from all walks of life. The overriding principle of this policy is that the provisions made are acceptable to, and meet the expectations of the local community.

2. Scope of Policy

This policy, as the title suggests, applies to the Mayor, Deputy Mayor and other Councillors and will comply with relevant statutory requirements and other NSW Government policy provisions and be consistent with Council's Code of Conduct.

Mayors and councillors can only be reimbursed for expenses and provided with facilities in accordance with this policy.

Relevant Statutory Requirements specific to this policy:

Sections 12,23A, 252, 253 & 254 of the Local Government Act and Clauses 217 & 403 of the Local Government (General) Regulation 2005.

Other NSW Government policy provisions:

Department of Local Government Guidelines, Circulars to Councils and Model Code of Conduct for Local Councils in NSW.

3. Guidelines

I. Governance

Making and adoption of the Policy

Council will adopt a policy each year even if the policy is the same as its existing policy. Public notice will be given of its intention and 28 days will be allowed for public submissions. Council will consider any submissions received and make any appropriate changes to the

policy. Notice of amendment is not required if the amendment is not substantial, however public notice of adoption is.

Within 28 days of adopting or amending the policy, the policy and details of submissions will be forwarded to the Director-General of the Department of Local Government.

Reporting Requirements

As required, Council will report separately in its Annual Report on:

- the total cost of expenses and the provision of facilities for the Mayor and all Councillors, as well as:

Expenses

- the cost of phone calls including mobiles, home located landlines, facsimile and internet services
- spouse/partner/accompanying person expenses
- conference and seminar expenses
- training and skill development expenses
- interstate travel expenses
- overseas travel expenses
- carer and other related expenses.

Provision of facilities

- The cost of the provision, including rental, of dedicated office equipment allocated to Councillors on a personal basis such as laptop computers, mobile phones, telephones and facsimile machines and internet installed in the Councillors' homes. This item does not include the costs of using this equipment, such as calls.

Council's Annual Report must also incorporate a copy of this policy.

Council will place this policy on its website ensuring that it is readily accessible.

Approval Arrangements

Approval for discretionary trips and attendance at conferences, and the like, should, where possible, be approved by a full meeting of the Council. If this is not possible then the approval should be given jointly by the Mayor and the General Manager. If the Mayor requires approval to travel outside of Council meetings, it should be given jointly by the Deputy Mayor and the General Manager.

II. Payment of Expenses

1. General Provisions

Payment of expenses generally

The details and range of expenses paid and facilities provided to councillors will be clearly and specifically stated. **There will be no general allowances.**

Expenses reasonably incurred by Councillors are outside provisions made under the annual fee determinations and, as such, any reimbursement of expenses and the facilities which may be provided under this policy shall be provided without reduction of these fees.

Reimbursement of costs and expenses to Councillors will only be made upon the production of appropriate receipts and tax invoices, and the completion of the required claim forms. Expenses and costs incurred must be in accordance with the requirements of the Council's Expenses Policy.

Councillors may request payment in advance in anticipation of expenses to be incurred in attending conferences, seminars and training away from home. Councillors may also request an advance payment for the cost of any other service or facility covered by this policy. However, Councillors must fully reconcile all expenses against the cost of the advance when they return within 30 days. No allowance type payment should be payable in any circumstance.

Establishment of monetary limits and standards

Monetary limits prescribed in this Policy set out the maximum amount payable in respect of any facility or expense. Any additional cost incurred by a Councillor in excess of any limit set shall be considered a personal expense that is the responsibility of the Councillor. All monetary amounts stated are exclusive of GST. Council will set monetary limits to all expense provisions in this policy and where practicable and where appropriate, standards for the provision of equipment and facilities provided to Councillors. These limits and standards are summarised in Tables 1 & 2 at the end of this policy.

2. Spouse and partner expenses

Council will meet:

- Reasonable costs of spouses, partners or an accompanying person in attending official Council functions within the Local Government Area that are of a formal or ceremonial nature where the Councillor's spouse, partner or accompanying person would reasonably be expected to attend. Examples include, but are not limited to, Australia Day Award Ceremonies, Citizenship Ceremonies, Civic Receptions and Charitable functions for charities formally supported by Council.
- Limited expenses associated with the attendance of the Councillor's spouse, partner or accompanying person at the Annual Local Government Association Conference. These expenses are limited to the cost of the spouse, partner or accompanying person's registration and official conference dinner.

Reasonable expenses for the spouse, partner or accompanying person of a Mayor, or a Councillor when they are representing the Mayor, when they are called on to attend an official function of Council or carry out an official ceremonial duty while accompanying the Mayor outside the Council's area but within the state. Examples include charitable functions to which the Mayor has been invited and award ceremonies where the Mayor is invited to represent the Council.

These expenses will be confined specifically to the ticket, meal and/or the direct cost of attending the function. Peripheral expenses incurred by spouses, partners or accompanying persons such as grooming, special clothing and transport are not considered reimbursable expenses. Each Councillor is entitled to a maximum of \$200 per year of term for these types of expenses.

3. Incidental expenses

Reasonable out of pocket or incidental expenses associated with attending conferences, seminars or training courses that Councillors incur will be reimbursed upon the presentation of official receipts and the completion of necessary claim forms. Incidental expenses could reasonably include telephone or facsimile calls, refreshments, internet charges, laundry and dry cleaning, newspapers, taxi fares and parking fees. In addition, the cost of meals not included in the registration fees for conferences or similar functions may be reimbursed after reconciliation and such expenses shall not exceed:

- \$50.00 per day excluding meals or
- \$100.00 per day including meals

Councillors are required to account for payments in advance or seek reimbursement within 30 days of the expenditure being incurred.

4. Specific Expenses for Mayors and Councillors

a. Conferences and Seminars

Attendance

The conferences to which this policy applies shall general be confined to:

- Local Government and Shires Association of NSW, Local Government Women's Association and Australian Local Government Association Conferences.
- Special 'one-off' conferences called or sponsored by, or for, the Local Government and Shires Association, Local Government Women's Association, Local Government Managers Australia and Australian Local Government Association on important issues.
- Annual conferences of Local Government Managers Australia and the major professions in Local Government.
- Australian Sister Cities Conference.
- Regional Organisation of Councils Conferences.
- Conferences which further the development efforts of the Council and of Councillors, or which relate to or impact upon the Council's functions.
- Meetings or conferences of organisations or bodies to which a Councillor has been elected, or appointed as a delegate or member of the Council, or the Local Government and Shires Association, Local Government Women's Association or Australian Local Government Association.

Approval

The Mayor and Councillors may request or be nominated to attend these conferences. Approval for attendance should, where possible, be approved by a full meeting of the Council. If this is not possible then the approval should be given jointly by the Mayor and the General Manager. If the Mayor requires approval then approval should be granted jointly by the Deputy Mayor and the General Manager.

Costs

Council will arrange and 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.

Accommodation

Where possible, accommodation is to be booked at the conference venue. In all other cases Council will ensure that reasonable and appropriate accommodation is provided to Councillors and in this regard a standard equivalent to 4 stars, where available is considered appropriate. Preference will be given to venues providing Government rates.

Use of Council Vehicle

All reasonable travel costs for Councillors whilst on official Council business will be met by Council and will be in accordance with the following standards –

- Councillors may request the use of a Council motor vehicle for official business use and where a number of Councillors are attending the same function; every attempt is to be made to share motor vehicles.
- A minimum of 48 hours notice is required for access to a vehicle for overnight use and 7 days notice for longer periods.
- Only where a Council vehicle is not available is a Councillor permitted to use their private vehicle.

b. Local Travel Arrangements and Expenses

- Councillor's travelling expenses will be paid only from the Councillor's normal place of abode within the Oberon Council area.
- Private Vehicle – If the Mayor or a Councillor is required to use his/her private vehicle on official business, reimbursement will be equivalent to the rate specified in the NSW Local Government Award. This allowance takes into account the use, maintenance and depreciation of the vehicle.

The driver is personally responsible for all traffic or parking fines incurred while travelling in private or council vehicles on council business

- Public Transport – Councillors travelling by taxi or other means of public transport for official business shall be reimbursed for actual expenses incurred subject to substantiation within 30 days of the costs being incurred.

Official Council Business includes, but is not limited, to attendance at the following-

- Ordinary Meetings
- Special Meetings
- Committee Meetings – whether a member of that committee or not
- Any other Council endorsed meeting or function, or for any representations on behalf of the Council.

The mayor is entitled to a maximum of \$1,000 per year of term for these types of expenses and Councillors \$500 per year of term for these types of expenses.

c. Travel Outside the LGA – Interstate.

Prior approval for travel outside the LGA, including interstate travel, will be required. The application for approval should include full details of the travel, including itinerary, costs and reasons for the travel.

The mayor is entitled to a maximum of \$2,000 per year of term for these types of expenses and Councillors \$1,000 per year of term for these types of expenses

d. Travel Outside the LGA – Overseas

Overseas travel must be approved by a meeting of the full Council prior to a Councillor undertaking the trip. Travel must be approved on an individual trip basis. Council will not allow the retrospective re-imburement of overseas travel expenses unless prior authorisation of the travel has been obtained.

Travel proposals should be included in the Council business papers. The use of a Mayoral Minute to obtain Council approval for travel is not appropriate, as it is not consistent with principles of openness and transparency.

Council will scrutinise the value and need for Councillors to undertake overseas travel. Council will avoid international visits unless direct and tangible benefits can be established for the Council and the local community.

Proposals for overseas travel should be in writing and should include the nomination of the Councillors to undertake the trip, the purpose of the trip and expected benefits, the duration, itinerary and approximate total costs of each proposed visit should also be provided.

After returning from overseas, Councillors, or an accompanying member of Council staff, should provide a detailed written report to Council on the aspects of the trip relevant to Council business and/or the local community.

Details of overseas travel must also be included in Council's Annual Report. Council is also required to report on the benefits on any proposed overseas sister city relationships.

The mayor is entitled to a maximum of \$3,000 per year of term for these types of expenses and Councillors \$2,000 per year of term for these types of expenses

e. Telephone & Internet Costs and Expenses

Council will reimburse Councillors for the cost of mobile, landline, and facsimile calls and Internet use for official Council business. All costs are subject to substantiation. A combined monthly monetary limit of \$100.00 per Councillor will apply.

f. Insurance Expenses and Obligations

Councillors are to receive the benefit of insurance coverage affected by Council for:

- Public Liability - Liability to a third party arising out of a Councillor's exercise of their functions. Councillors subject to any limitations or conditions of the policy of insurance effected by Council.
- Councillor's Liability - Liability to a third party in the form of damages, compensation, interest and costs and defence costs arising from an error, mis-statement, misleading statement, conduct, omission, neglect or breach of duty by a Councillor.
- Personal Accident - Personal injury while engaged in or on any Council activity, worldwide covering bodily injury caused by accidental, violent, external and visible means up to a sub-limit for death determined by the Council and also covering permanent disablement, temporary total disability and temporary partial disability. The cover does not include medical expenses, as medical expenses cannot be included due to the provisions set down in the Health Act. The Council shall determine the distribution of any benefits arising from such insurance to the Mayor or Councillor or his/her beneficiaries.
- Statutory Liability – Liability for fines or penalties arising out of an inadvertent breach of the law by a Councillor when exercising the functions of Council.

Council shall pay the insurance policy excess in respect of any claim made against a Councillor arising from Council business where any claim is accepted by Council's insurers, whether defended or not.

g. Legal Expenses and Obligations

In accordance with the provisions in the Departmental Circular to Councils 05/08: *Legal assistance for Councillors and Council employees,*

- i. Council may disburse money only if the disbursement is authorised by the Local Government Act 1993, either expressly or because it is supplemental or incidental to or consequential upon the exercise of its functions.
- ii. In the particular circumstances outlined below, Council shall, if requested reimburse the reasonable legal expenses to a maximum of \$200,000 per year of term for these types of expenses :
 - 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.

- iii. Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her functions under the Act should be distinguished from expenses incurred in relation to proceedings arising merely from something that a Councillor has done during his or her term in office. An example of the latter is expenses arising from an investigation as to whether a Councillor acted corruptly by using knowledge of a proposed rezoning for private gain. This latter type of expense will not form part of this policy adopted under section 252 of the Act.
- iv. Council may obtain insurance cover against the risk of having to meet the costs of or to reimburse a Councillor provided that the costs or reimbursements are ones that the Council is authorised to meet.
- v. Council will not meet the costs of an action in defamation taken by a Councillor or Council employee as plaintiff in any circumstances.
- vi. 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.

Where doubt arises in relation to any of these points, Council will seek its own legal advice.

h. Training, Educational and Professional Development Expenses

Councillors are encouraged to undertake an active learning process and skills development in addition to attending seminars and conferences related to Council functions.

Council will include in its annual budget a specific allocation for Councillors' training, educational and professional development expenses.

These expenses would support and encourage an active learning process and skills development in addition to attending seminars and conferences related to Council functions. It is essential where Council is paying these expenses that the training or educational course is directly related to the Councillor's civic functions and responsibilities and is pre-approved.

This initiative also supports NSW Government policy. The Minister for Local Government is keen to encourage Councillors to undertake relevant training and skills development to ensure they carry out their functions as effectively as possible.

The mayor is entitled to a maximum of \$1000 per year of term for these types of expenses and Councillors \$500 per year of term for these types of expenses

i. Care and Other Related Expenses

Council will meet reasonable costs of facilitating access to council premises, functions and activities where, by reason of disability, care-giver role or other special need, a councillor would not otherwise have equity of access with other councillors. Such support will allow the fullest participation reasonable possible

The total amount paid will not exceed \$500 per year of term.

j. Additional Mayoral Expenses

There are no additional Mayoral Expenses provisions

III. Provision of Facilities**1. General Provisions****a. Provision of Facilities Generally**

The facilities, equipment and services made available under this policy are considered appropriate to support the Mayor and Councillors in undertaking their role as elected members of Council.

Council facilities, equipment and services are not to be used to produce election material or for any other political purposes.

b. Private Use of Equipment and Facilities

Councillors should not generally obtain private benefit from the provision of equipment and facilities, nor from travel bonus or any other such loyalty schemes. However, it is acknowledged that incidental use of Council equipment and facilities may occur from time to time. Such incidental private use is not subject to a compensatory payment.

2. Provision of equipment and facilities for Councillors**a. Postage**

All outgoing mail is to be included as part of Council's daily mail collection by Australia Post and such needs to be delivered to Council's Records Section.

b. Meals

Councillors will be provided with a meal and beverage in conjunction with Council and Committee meetings and meetings with Parliamentary representatives, visiting dignitaries and other delegations.

c. Refreshments

Beverage service in the Councillors' Meal Room.

d. Insignia of Office

Name badge and nameplate on election to office or when the design varies.

e. Hardware

Either a laptop or personal computer and a modem will be provided, if requested, to enable internet access and emailing and processing of correspondence and access to Council business papers, minutes, policies and other Council records. Councillors should request these of the Director of Corporate Services.

All equipment shall always remain in the possession of the Councillor during his/her term of office, and shall remain the property of the Council.

Councillors will be given the option to purchase lap-top computers at the depreciated book value at the end of the term of each elected member.

f. Electoral Rolls

The most recent electoral roll will be provided to each Councillor.

3. Provision of Additional Equipment and facilities for Mayors**a. Office**

A furnished office located at the Council Chambers/Office building. This office will incorporate a telephone.

b. Hardware

Laptop, printer and facsimile machine for the Mayor's home.

c. Administrative Assistance

Administrative assistance will be provided associated with any Council functions, meetings, publications and the like.

d. Credit Card Facilities

A Council Credit Card with a financial limit of \$5,000 will be allocated to the Mayor. This Credit Card is for the purpose of payments of approved expenses in accordance with this policy.

IV. Other Matters**Acquisition and returning of facilities and equipment by Councillors**

Councillors are to return all Council owned equipment in good working order and condition to the location nominated by the Director of Corporate Services upon ceasing to be an elected member of the Council, unless the option to purchase lap-top computers in accordance with this policy has been taken.

Table 1

Facility	Mayor	Deputy Mayor	Councillors	Standard (if practicable)
	Facilities Available/Not Available for Council business use			
Postage	Available	Available	Available	Daily Mail
Meals and Refreshments	Available	Available	Available	Food and Beverage plus service
Insignia of Office	Available	Available	Available	Name badge and nameplate on election
Laptop or PC	Available	Available	Available	New with internet access
Electoral roll	Available	Available	Available	Most recent
Office	Available	Not Available	Not Available	Furnished with phone
Administration assistance	Available	Not Available	Not Available	Relevant to function
Corporate Credit Card	Available	Not Available	Not Available	\$5,000 limit within the guidelines of this policy.

Table 2

Expense	Mayor	Deputy Mayor	Councillors	Monetary Limit
	Facilities Available/Not Available for Council business use			
	General Provisions			
1.Spouse & Partner Expenses	Available	Available	Available	\$200 pa
2.Incidental (e.g. Taxi Fares etc.)	Available	Available	Available	\$50/day excluding meals \$100/day including meals
	Specific Provisions			
1.Conferences and Seminars	Available	Available	Available	Mayor \$2,000 pa Councillors \$500 pa
2.Local travel and accommodation arrangements and expenses	Available	Available	Available	Mayor \$1,000 pa Councillors \$500 each pa
4. Travel and accommodation - Overseas	Available	Available	Available	Mayor \$3,000 pa Councillors \$2,000 each pa
5. Telephone & Internet	Available	Available	Available	\$100 per month combined
6. Insurance	Available	Available	Available	Benefit of insurance coverage thresholds
7. Legal	Available	Available	Available	\$200,000pa
8. Training education and Professional Development	Available	Available	Available	Mayor \$1,000 pa Councillors \$500 pa
9. Care and other	Available	Available	Available	\$500 pa
10. Additional Mayoral Expenses	Not available	N/A	N/A	N/A

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