



# Councillor and Audit Committee Expenses and Entitlements Policy 2020

## Purpose

To provide guidelines for the payment of Councillor Allowances and reimbursement of Councillor expenses as required under the Local Government Act 1989.

## Definitions

ATO – Australian Taxation Office

Audit Committee Member – a suitably qualified professional appointed by Council to its Audit Committee

Council – Baw Baw Shire Council

Councillor – a current elected member of Baw Baw Shire

DELWP – Department of Environment, Land, Water and Planning

## Scope

This policy applies to all serving Baw Baw Shire Councillors and external members appointed to Council's Audit Committee.

## Legislative context

*Local Government Act 1989* in particular Sections 74, 75, 75A, 75B & 75C

## Related policies and documents

- Information Guide – Mayor and Councillor Entitlements – reimbursement of expenses and provision of resources and facilities support for Victorian Mayors and Councillors (DELWP).
- Travel Policy

## Policy principles

To discharge their civic, statutory and policy making functions, the provision of a range of necessary and appropriate facilities and the reimbursement of expenses (specified in the below Policy Detail section) will be made to the Mayor, Councillors and independent Audit Committee Members consistent with regulations and best practice guides.

The printed document is an uncontrolled document. To ensure you have the latest policy visit Council's website at [www.bawbawshire.vic.gov.au](http://www.bawbawshire.vic.gov.au) or contact the Governance team on 03 5624 2411.

Council will provide allowances and reimburse expenses in order for Councillors and Audit Committee members to discharge their duties effectively.

## Policy detail

### 1. Allowance Provisions

#### 1.1. Councillors and Mayor

##### 1.1.1. Level of Allowance

- Councillors and the Mayor will be paid in accordance with the Category framework as prescribed by the Victorian Government for Councillor Allowances including the Remote Area Allowance where applicable.
- The allowances paid will be the highest point within the range prescribed for Council, currently Category 2. There are no additional allowances for the position of Deputy Mayor, nor will the position of Mayor attract a Councillor allowance on top of the Mayoral allowance.
- Council notes that the Minister for Local Government is required to review the allowance ranges and limits annually, and if an adjustment factor is set, Council must pass on that adjustment.

##### 1.1.2. Superannuation Guarantee Contribution

- Council will ensure that an amount equivalent to the Superannuation Guarantee Contribution will be paid to Councillors with the Councillor Allowance.

##### 1.1.3. Allowances Sacrifice

- Councillors are entitled to have their councillor allowances paid into their superannuation fund. Councillors must complete a Councillor Allowance Super Redirection Authority form for this to occur.
- expense reimbursements cannot be paid directly into superannuation accounts.

##### 1.1.4. Payment of Allowances

- Allowances will be paid no more than one month in advance, or in accordance with the Ministers directions made from time to time.

#### 1.2. Independent Audit Committee Member Allowances

##### 1.2.1. Level of Allowance

- Independent Committee members appointed to the Audit Committee will receive a sitting fee for their expertise and advice. This fee is an all-inclusive fee for each meeting attended. The Chair of the Audit Committee will receive \$1,421 and

Independent Committee Members, \$1,203. This will be increased annually by the equivalent percentage rate prescribed by the Minister for Local Government that is set for Councillors and Audit Committee Members.

#### 1.2.2. Payment of Allowances

- Allowances will be paid on invoice only exclusive of GST after attendance at a prescribed Audit Committee meeting.
- Independent Committee Members are not to claim more than the sitting fee set for attendance at these meetings. However, if and when requested to undertake additional works and activities by Council the Audit Committee Members may charge Council for additional sitting fees.

## 2. Support Provisions

### 2.1. Councillors with Disabilities

- For any Councillor with a disability, Council will provide reasonable additional facilities and support in order to allow that Councillor to perform their civic duties.

### 2.2. Specific Support Provisions for the Mayor

#### 2.2.1. Office and Administrative Support

- Council will provide the following Mayoral office facilities:
  - Private office suitably equipped with furniture, including desk and meeting table
  - Computer and corporate software
  - Telephone
  - Administration Support is available to the Mayor during normal office hours through the Chief Executive Office.
- The Mayor may be provided with other necessary assistance to enable the performance of the duties of civic office. Such assistance may include, but is not limited to the following:
  - A Corporate Card with a transaction and daily limit set at no more than \$500 will be made available to the Mayor for use while discharging the functions of the office. Use of a Corporate Card will be in accordance with the Corporate Card Procedure.

#### 2.2.2. Vehicle

- Council will provide at its cost to the Mayor a fully registered, insured, maintained and fuelled vehicle for use by the Mayor on official duties and for private use.

- The vehicle type and usage shall be in accordance with Council's Fleet Policy.

### 2.3. Councillors Lounge and Work Area Facility

- A Councillors' Lounge and Work Area may be made available at for use by Councillors and their invited guests in the conduct of their duties of office.
- A booking for meeting space can be made by contact the Executive Assistant CEO and Mayor.
- An area will be provided with office furniture, telephone, computer and printing equipment.

### 2.4. Professional Development

- It is important that Councillors have access to training and development to build knowledge and skills required to fulfil their role. A professional development budget is allocated each year for attendance at conferences, workshops and the like.

Provided that these relate to the areas of local government activity, leadership or governance, in the context of the role of councillor, or enhance the personal skills of the individual to undertake the role, programs that qualify for expenditure under this program include:

- seminars, conferences
- undergraduate and post graduate studies
- short courses
- study tours
- Councillors must firstly submit to the Mayor details of the proposed expenditure, including:
  - course proposed
  - estimate of costs
  - purpose of attendance
- Councillors will be required to provide a report back to Council at the next available Council meeting following the attendance at Professional Development on the benefit to the individual Councillor and the Baw Baw Community.

### 2.5. General Provisions

#### 2.5.1. Stationery

- The Council shall, upon request, provide councillors with standard stationery held or obtained generally for the organisation's requirements.
- The stationery may include, but not necessarily be limited to, business cards, name badges, writing pad/books, and the like.

### 2.5.2. Apparel

- Council shall, upon request, lend councillors protective clothing required to assist in carrying out the duties of office. This clothing is to be returned promptly upon the completion of the activity/duty for which the articles were required.

## 2.6. Technology

### 2.6.1. Standard Equipment

- Councillors will be provided with the following standard equipment to allow them to effectively carry out their duties:
  - Mobile Phone
  - Tablet or Laptop with internet connectivity
  - Access to printing
- Council will take into consideration improvements in technology when updating the standard equipment on offer to ensure that the equipment provided meets the needs of the Council and is in line with the intent of the policy.

### 2.6.2. Additional Equipment

- Any additions to the standard equipment suite provided is subject to CEO approval based on individual needs and circumstances in order to carry out Councillor duties and functions.

### 2.6.3. Costs and Usage

- The usage and rental costs for these services will have predetermined caps.
- It is recognised that for practical reasons, Councillors may make a reasonable number of non-Council business related calls and data usage access on the Council supplied equipment.
- The Council recognises that the individual level of usage of Council supplied equipment by Councillors will differ according to individual circumstances, the nature of their role and level of activity.
- All operational costs together with the cost of accessories will be treated as an expense attributable to the individual Councillor and published as part of the Summary of Councillor Expenses.

### 2.6.4. Determining what is reasonable

- To assist Councillors determine what is a reasonable level of usage for private usage, the following factors may be taken into account:
  - The nature of private calls considered acceptable are those standard local telephone calls which Councillors could not for practical reasons due to

location, movement or convenience make from a private land line telephone service

- Those calls which would not normally be regarded as reasonable and acceptable private usage include STD and international calls unless conducting or travelling on Council business. Where possible, councillors should attempt to make STD and international calls from a land line service
- Mobile calls to information/service providers which incur a high per minute charge are not normally considered acceptable unless the nature of service is one which assists the councillor in carrying out his/her role. It is recognised that in some circumstances, for practical reasons only, the councillor may need to use his/her mobile phone for such a service
- The data usage which would normally be regarded as reasonable and acceptable would be that which is included in the data usage allowance each month.

#### 2.6.5. Loss or Damage of Equipment

- Strict care must be taken in the custody and use of all Council equipment. Any loss or damage of equipment must be reported immediately to the Chief Information Officer.
- Depending on the circumstances as to the loss or damage, Councillors may be asked to contribute to the replacement or repair of the equipment.

### 3. Reimbursement of Expenses Provisions

#### 3.1. Home Telephone and Personal Mobile Phones

- Councillors may seek reimbursement of expenses incurred in using their own home telephone service or personal mobile phone for Council related business.
- Councillors may claim the following on their home service:
  - up to 75% of local metered calls; and
  - full reimbursement of the standard quarterly services and equipment charge
- Councillors may claim the following on their mobile service:
  - all Council business related calls

- Councillors must identify the purpose of any Council business related interstate and international calls for which they must seek reimbursement in the Payment Request form.

### 3.1.1. Internet Access

- Councillors may seek reimbursement in using their own internet service for Council business, to a maximum of 75% of their monthly account.

### 3.2. Travel (Private Vehicle, Public Transport – including flights)

- The following general provisions apply to this policy wherever appropriate to determine the amount of out of pocket expenses that will be reimbursed to councillors:
  - That travel must be undertaken by the shortest practical route.
  - That any costs incurred in other than authorised Council business are not to be included in the calculation of any expenses to be reimbursed.
  - Council will reimburse public transport costs incurred when undertaking Council business, (or make available a Myki card)
  - Where travel is by flight, the standard form of travel will be economy class.
  - Any overseas travel must be approved by a resolution of Council.
- Claims will only be paid on the basis of the actual form of transport used and in the form of reasonable allowances towards or reimbursement of necessary out of pocket expenses.
- Travelling expenses will be paid to Councillors at the rate specified by the ATO, under the following circumstances:
  - To attend ordinary and special council meetings and meetings of committees of Council.
  - To attend formal briefing sessions and civic or ceremonial functions convened by the Council or Mayor.
  - To attend meetings scheduled by Council or the Mayor.
  - To attend meetings necessary for the councillor to exercise a delegation given by Council.
  - To attend a meeting, function or other official role attended as a representative of the Council or Mayor.
  - To attend meetings of a group, organisation or statutory authority to which the councillor has been appointed Council delegate. The reimbursement

by Council is to be diminished by however much the body pays travelling expenses directly.

- To attend to inspect a street, property or area (or to discuss with any person) any matter affecting or affected by the Council, and/or to attend to carry out activities in the capacity of a councillor.
  - To attend meetings of any Council appointed committee or any incorporated charity or community organisation, as a representative of the Council.
  - To attend meetings, or to participate in delegations or deputations to which the councillor has been appointed as a representative by Council, the Chief Executive Officer or Mayor.
  - When councillors are travelling interstate, the mode of transport is to be determined on the advice of the Chief Executive Officer based on the most cost effective form of transport.
- Councillors must identify the purpose of any Council business related travel for which they must seek reimbursement on the appropriate claim form.
  - Councillors can seek reimbursement of parking and toll charges by completing and attaching the appropriate receipt.

### 3.3. Conferences and Seminars

- Councillors appointed by Council or requested by the Chief Executive Officer to attend conferences and seminars may have all reasonable expenses for travelling, transport, accommodation (up to 4 star), registration fees, internet access charges, phone calls and meals relating to the conference/ seminar paid by the Council.
- Councillors making their own arrangements for transport or accommodation shall have the cheaper amount equivalent to the cost of the most economic reasonable form of transport and to the value of a standard room rate at a convenient motel, or the cost of these alternative arrangements paid by Council, as determined by the Chief Executive Officer.
- Unless a conference or training has been requested by the Chief Executive Officer requests should be made in writing to be approved by the Mayor. Attendance at conferences or training courses should be limited to 2-3 events per Councillor per year. A cap of \$5,000 expenditure per Councillor per annum, is considered appropriate.



### 3.4. Spouse/Partner Accompanying Person

- The cost of a spouse or partner for attendance at official Council functions is appropriate when accompanying a Councillor both:
  - Within the Municipality
  - Outside the Municipality but within the State when carrying out official duties
- The payment of expenses for spouses, partners or accompanying persons for attendance at appropriate functions shall be limited specifically to the ticket and meal. Peripheral expenses such as grooming, special clothing and transport are not reimbursable.
- Requests for payment for spouse/partner or additional guests at conferences or functions requires approval of the Mayor. Costs for partner/spouse accompanying Councillors on interstate or international trips will not be reimbursed by Council.

### 3.5. Carer Expenses

- The Council will reimburse the cost of necessary expenses for childcare up to and including the age of 16 years and the care of elderly, disabled and/or sick immediate family members of Councillors, while a Councillor is attending meetings or conferences in Australia in their capacity as a Councillor.
- Child care costs are not eligible for reimbursement if paid to a family member or a person who normally or regularly lives with the Councillor, except where a live-in (professional) helper such as a nanny is required to work extra time at extra expense because of the Councillor's duties.
- Carer expenses may consist of:
  - Occasional child care centre fees
  - Hourly fees
  - Agency booking fees (if claimed)
  - Reasonable travelling expenses at rates no greater than those prescribed in the Victorian Local Authorities Award 2001 (if claimed by the carer)
- Fees are payable per hour (or part of an hour) subject to any minimum period which is part of the provider's usual terms, to a maximum hourly rate (\$50 per hour) approved by the Chief Executive Officer.

- Travelling expenses may cover the transport costs of the carer to and from the Councillor's residence or of the person to be cared for to and from the place of care.
- Claims must be accompanied by a receipt from the care provider showing the date and time care was provided and details of the reason care was needed on each occasion.

### 3.6. Legal Costs

- Other than by specific Council resolution or in accordance with a Council policy, any legal expenses incurred by a Councillor shall be the responsibility of that Councillor.

### 3.7. Other Expenditure

- Any expenditure not specified above as expenditure for which a councillor is entitled to be reimbursed or paid by Council shall be the responsibility of the councillors, except where Council resolves otherwise.

## 4. Responsibility and Accountability

### 4.1. Documentation to Support Reimbursement of Claims

#### 4.1.1. General Provisions

- Councillors must provide original fully accredited receipts (not eftpos receipts) and invoices to support reimbursement of expenses with the required claim form.
- When a receipt is not obtained, or lost, a statutory declaration must be completed and provided as evidence to support the claim.
- Only those expenses explicitly covered in the policy will be reimbursed. The expenses will, unless authorised by the Chief Executive Officer, be paid in arrears. Travelling expenses must be lodged on a Councillor Travel claim form.

#### 4.1.2. Frequency of Claims

- Requests for reimbursement must be received preferably within a month of the cost being incurred. Claims for expenses six months or older will not be reimbursed.
- Councillors should note that reimbursements will be made by electronic funds transfer to nominated bank accounts unless exceptional circumstances apply.

#### 4.1.3. Advance Payment Requirements

Any advance payment made for the cost of a service associated with a civic duty must be reconciled within one month of receiving such payment and receipts supplied as verification.

#### 4.1.4. Non-Council related expenditure

Any reimbursement required to Council for non-Council related expenditure shall be invoiced to the individual and payment is to be made as specified on the invoice.

#### 4.2. Independent Audit Committee Members

- In addition to the above, Independent Audit Committee Members must provide invoices to support payment of their sitting fees.

#### 4.3. Register of expenditure

Councillor Expenses and Entitlement Claims will be reported annually to Council's Audit Committee.

The CEO will maintain a register of expenditure, and this register will be available for any member of the public to view.

As a minimum, a summary of Councillor and Independent Audit Committee Member Expenses will be published on the Council's website quarterly.

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