



## Council Policy

### 18.5 - COUNCIL EXPENSES POLICY

#### PURPOSE

This policy supports Councillors and members of delegated committees to perform their role, as defined under the *Local Government Act 2020* (the Act), by ensuring that expenses reasonably incurred in the performance of their role are reimbursed. It references the overarching governance principles and supporting principles of the Act. The policy also provides guidance on:

- entitlements
- processes for reimbursement
- reporting requirements.

The policy is intended to ensure that Councillors and members of delegated committees are supported to perform their duties without disadvantage.

Members of delegated committees exercise powers of councillors, under delegation. This policy also applies to those members in the course of undertaking their role as delegated committee members.

The Council Expenses Policy outlines the resources, facilities, support and reimbursement available to Councillors to enable them to fulfil their responsibilities as elected members of the community. These include:

- Allowances paid to the Mayor and Councillors;
- Mayoral vehicle;
- The facilities, resources and support Council considers necessary or appropriate to provide support to Councillors in the performance of their duties as a Councillor; and
- The circumstances under which Council will make payment for –
  - professional development;
  - reimbursement of travel expenses; and
  - reimbursement of other expenses.

This policy also describes the procedure to be followed in applying for reimbursement and in reimbursing expenses.

#### POLICY INTENT

Councillors will be provided with resources, support and access to facilities to assist them to fulfil their responsibilities as elected members of the community. In addition, Council will reimburse a Councillor or a member of a delegated committee for out-of-pocket expenses which the Council is satisfied are bona fide expenses; and have been reasonably incurred in the performance of the role of Councillor or member of a delegated committee; and are reasonably necessary for the Councillor or member of the delegated committee to perform that role.

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## BACKGROUND

Under the *Local Government Act 2020* (the Act), Councillors and are entitled to the resources and facilities reasonably necessary to enable them to effectively perform their role, and support and reimbursement of expenses related to their duties as a Councillor.

The Act requires Council to adopt and maintain a policy in relation to the reimbursement of out-of-pocket expenses for Councillors and members of delegated committees.

This policy has been developed with reference to the Act.

## SCOPE

This policy applies to all Councillors and members of delegated committees of Colac Otway Shire Council.

## DEFINITIONS

Councillor – Councillor of Colac Otway Shire Council

CEO – Chief Executive Officer

Carer – as defined as carer in a care relationship within the meaning of section 4 of the *Carers Recognition Act 2012*

Delegated committee – Delegated committees are defined under section 63 of the *Local Government Act 2020*

## REFERENCES AND RELATED DOCUMENTS

- *Local Government Act 2020*
- *Carers Recognition Act 2012*
- *Charter of Human Rights and Responsibilities Act 2006*
- *Freedom of Information Act 1982*
- *Privacy and Data Protection Act 2014*
- *Equal Opportunity Act 2010*
- *Gender Equity Bill 2020*
- Business Technology Terms of Use (IS-01)
- Bring your own device (BYOD) (IS-02)
- Information Management Policy (IS-03)
- Light Fleet Policy (AS-01)
- 18.2 - Information Privacy Policy
- Public Transparency Policy\*

\*Once policy is adopted

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## STATEMENT OF POLICY

The provision of facilities, resources and support to Councillors and members of delegated committees, and the expenses paid or reimbursed for Councillors and members of delegated committees will be made on an equitable basis.

This policy ensures that the reimbursement of these expenses is in accordance with the Act and meets the Act's principles of public transparency; achieving the best outcomes for the municipal community; and ensuring the ongoing financial viability of the Council.

Councillors are, in the performance of their duties under section 40 of the Act, entitled to access facilities, support and resources as described in this policy and the Act. These duties include:

- Attending Council meetings, meetings of Committees of Council, formal briefing sessions and civic or ceremonial functions convened by Council, the Mayor or the CEO.
- Attending meetings or workshops scheduled by Council, the Mayor or the CEO.
- Participating in site inspections or meetings, or participating in delegations or deputations to which the Councillor has been duly appointed as a representative of Council.
- Attending a meeting or function as the nominated representative of Council or the Mayor.
- Attending meetings of community groups, organisations and statutory authorities to which the Councillor has been appointed Council delegate or the nominated representative of Council.
- Attending site inspections or meetings arranged by Council relevant to a matter which is, or is anticipated to be, the subject of a decision of Council.
- Attending seminars, training or professional development courses as an attendee and/or speaker and which:
  - contribute to the development of personal and professional skills or knowledge of the Councillor which are necessary for the performance of the duties of a Councillor;
  - are consistent with Council's objectives;
  - will cover or present material with application/importance/relevant to current or future issues faced by the Council; and
  - are within the Councillors' annual budget allocations for the provision for seminars and training.
- Attending conferences as an attendee and/or speaker as Council's nominated representative or delegate and which:
  - are consistent with Council's objectives; and
  - will cover or present material with application/importance/relevance to current or future issues faced by the Council; and
  - are within the Councillors' annual budget allocations for the provision for conferences and seminars.

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## GUIDELINE

This policy is not intended to prescribe for every possible situation that may arise. Should a situation arise that is not adequately covered by this policy, the matter will be referred to the CEO for determination. The CEO may choose to refer the situation to a meeting of Council and request that Council resolve on the matter, after first having advised the Councillor; if the Councillor does not wish for the matter to be determined by Council, it will be on the understanding that the claim is refused.

Ultimately, under section 40(1) of the Act:

A Council must reimburse a Councillor or a member of a delegate committee for out-of-pocket expenses which the Council is satisfied –

- (a) are bona fide expenses; and
- (b) have been reasonably incurred in the performance of the role of Councillor or member of a delegated committee; and
- (c) are reasonably necessary for the Councillor or member of a delegated committee to perform that role.

It is not a matter of discretion. A Councillor or member of delegated committees has a right to reimbursement if the requirements of section 40(1) of the Act are satisfied.

The fundamental test to be applied in determining whether a Councillor or member of delegated committees expense is necessarily or reasonably incurred is whether the expenditure is necessary because it is supplemental or incidental to, or consequent on, the performance of Council duties and reasonable in its quantum.

It is to be noted that:

- Expenses incurred by Councillors when acting in a private capacity will not be reimbursed or paid.
- Any costs incurred by a Councillor which are not covered specifically within this policy will not be met, unless the Councillor has received prior written authorisation from the CEO or from Council (in the form of a Resolution).
- Supporting evidentiary documentation will be required for all Councillor and members of delegated committees expense reimbursement and payments.
- Reference to the CEO throughout this policy will extend to his or her delegate.

## COUNCILLOR ALLOWANCES

### MAYOR, DEPUTY MAYOR AND COUNCILLOR ALLOWANCE

Section 39 of the Act describes the application of allowances all Councillors (Mayors, Deputy Mayors and Councillors).

Entitlements to an allowance will be in accordance with the Determination of the Victorian Independent Remuneration Tribunal under the Victorian Independent Remuneration Tribunal and Improving *Parliamentary Standards Act 2019*.

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- Unless an election has been made under Section 39(5) of the Act, to receive a reduced entitlement, all Councillor allowances will be paid in accordance with the Determination of the Victorian Independent Remuneration Tribunal.
- Allowances will be paid 4 weekly in arrears.
- Mayor and Councillor allowances are taxable income and Councillors should put in place their own processes for documenting claimable expenses. Any personal taxation implications from the receipt of allowances are the responsibility of individual Councillors.

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## REIMBURSEMENTS FOR COUNCILLORS AND MEMBERS OF DELEGATED COMMITTEES

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### TRAVELLING EXPENSES

Where practical, Councillors are to use a Council pool car for travel involved in performing their duties. This is to be requested through the office of the CEO or by emailing [governance@colacotway.vic.gov.au](mailto:governance@colacotway.vic.gov.au)

Upon the completion and forwarding of a travelling Claim Form, travel expenses will be paid to Councillors for out of pocket expenses related to:

- Council meetings and Council business related to Council meetings.
- Council functions.
- Attendance at a meeting of an external body to which a Councillor has been appointed by the Council.

Members of delegated committees will be reimbursed for reasonable travel expenses where it is necessary for them to attend delegated committee meetings and business related to delegated committee meetings.

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### TRAVEL WITHIN VICTORIA OR INTERSTATE

When Councillors are travelling within Victoria or interstate they should use the mode of transport that is the most cost effective.

- Travel must be undertaken by the shortest practical route.
- Any time other than authorised Council business shall not be included in the calculation of any expenses to be paid.
- Where travel is by air the standard form of travel will be economy class.
- Claims will only be paid on the actual form of transport.

The allowance payable to Councillors for use of their own private vehicle on Council business shall be in accordance with the rates prescribed in the Victorian Local Authorities Interim Award, as varied from time to time.

Any expenses from breach of road, traffic parking or other regulations or laws, will not be reimbursed by Council.

The costs of a partner accompanying a Councillor on a business trip (local, interstate or international) must be borne by the Councillor unless there is a bona fide business purpose or necessity for the presence of a partner.

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## REMOTE AREA TRAVEL ALLOWANCE

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Where a Councillor (including a Mayor) normally resides more than 100 kilometres (round trip) by the shortest possible practicable road distance from the location or locations specified for the conduct of Council meetings or committee meetings of the Council or any municipal or community functions which have been authorised by Council resolution for the Councillor to attend, he or she shall be entitled to be paid an additional allowance of \$40.00 per day, up to a maximum of \$5,000 per annum.

The Remote Area Travel Allowance is classified as Travel Allowance in the Annual Report.

## CHILD CARE EXPENSES

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Councillors and members of delegated committees incurring child care expenses paid to:

- A recognised child care provider; or
- To a person who does not:
  - have a familial or like relationship with the Councillor / delegated committee member;
  - reside either permanently or temporarily with the Councillor / delegated committee member; or
  - have a relationship with the Councillor / delegated committee member, or his / her partner such that it would be inappropriate for Council to reimburse monies paid to the care provider,

will be reimbursed when the child care is necessary to allow the Councillor to attend:

- Council meetings and Council business related to Council meetings;
- Council functions; or
- Meetings arising as a result of a Councillor being appointed by the Council to an external body.

Members of delegated committees will be reimbursed when the child care is necessary to them to attend delegated committee meetings and business related to delegated committee meetings.

Child care payment or reimbursement claims should be submitted to the Office of the CEO and must be accompanied by a receipt from the care provider showing the date and time care was provided and other details nominating the reasons child care was necessary.

## CARER EXPENSES

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A Councillor who is a carer in a care relationship within the meaning of section 4 of the *Carers Recognition Act 2012*, will be reimbursed when a carer is necessary to allow the Councillor to attend:

- Council meetings and Council business related to Council meetings;
- Council functions; or
- Meetings arising as a result of a Councillor being appointed by the Council to an external body.

Members of delegated committees will be reimbursed when carer costs are necessary to allow them to attend delegated committee meetings and business related to delegated committee meetings.

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Carer costs are not eligible for reimbursement for a person who regularly lives with the Councillor or member of a delegated committee, except where a live-in professional carer is required to work extra time at extra expense due to the Councillor's duties.

Carer payment or reimbursement claims should be submitted to the Office of the CEO and must be accompanied by a receipt from the care provider showing the date and time care was provided and other details nominating the reasons that respite care was necessary.

## CONFERENCES AND SEMINARS

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Councillors are encouraged to attend conferences and seminars relevant to their role, to enhance their personal skills and knowledge.

Partners may accompany Councillors to conferences where the presence of a partner is necessary to support the business or representational needs of Council. Where it is deemed appropriate for partner attendance Council will cover the cost of the partner's registration/entrance fee.

As part of the annual budget process an amount will be allocated for the attendance of Councillors at conferences and seminars and to participate in training.

All expenditure by Council on Councillor attendance at conferences, training sessions, seminars, trade delegations etc. will be assessed against the following criteria:

- Applicability of conference material to current or like future Shire issues.
- The importance of the event in terms of its provision of:
  - relevant and necessary training;
  - key information;
  - economic development opportunities; and
  - networking opportunities.

Councillors sponsored by Council to attend conferences and seminars shall have all reasonable expenses for travelling, transport, accommodation, registration fees, meals and out of pocket expenses relating to the conference/seminar reimbursed or paid on their behalf.

Councillors must obtain approval from the Mayor or CEO or alternatively full Council:

- to attend such conference/seminar where expenses are likely to be claimed; or
- to use a Council vehicle for transport to or from such function.

*Note: the MAV Conference is to be automatically approved for attendance.*

Any expenditure greater than \$600 (including registration, travel and accommodation) for a Councillor to attend a conference, seminar, training session, trade delegation, friendship visit etc. must be approved by Council. Approval is dependent upon the cost being within budget and being consistent with Council's goals and strategies.

Council may agree to a set contribution towards a Councillor's cost to attend a conference or seminar rather than the full costs in certain circumstances (eg. if the costs are high or the benefits not significant to Council).

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When attending approved conferences/seminars Councillors must:

- keep all related receipts;
- arrange with the Finance Unit for conference/seminar costs to be prepaid if required; and
- complete an Interstate and Overseas Travel approval form (Councillor and Staff) for any interstate or overseas travel.

Expenses for Councillors wishing to make their own arrangements for transport or accommodation will be reimbursed as determined by the CEO.

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## REIMBURSEMENT PROCEDURE

All claims are to be submitted to the Office of the CEO on the prescribed form. All claims should be accompanied by fully accredited receipts/tax invoices for any expenses claimed. If receipts cannot be produced, Councillors and members of delegated committees may be required to provide a statutory declaration.

All claims must include sufficient detail to demonstrate, in accordance with the Act, that the expense for which reimbursement is claimed is a reasonable bona fide out-of-pocket expense incurred while performing the duties of a Councillor or member of a delegated committee.

Once claim forms with their associated documents have been submitted, the CEO or his or her delegated representative will review them for approval. Once authorised the claims will be forwarded to the Finance Department for payment. Payments are made via electronic transfer.

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## TIMEFRAME FOR SUBMISSION OF CLAIMS

All claims for allowances or reimbursements including travelling shall be made monthly. This is to ensure transparency and accountability.

Claims for reimbursement of claims for the months of July to May shall be submitted by the close of business of the last business day of the following month.

Claims for reimbursement of expenses during the month of June shall be submitted within 7 working days of the end of the financial year.

It is the responsibility of Councillors and members of delegated committees to ensure that claims for reimbursement occur within the stated timelines. Where the timelines are not met, information will be provided to the Mayor and/or CEO for consideration as to the payment of the claim. Claims for expenses incurred more than 12 months ago will not be eligible for consideration, nor will Councillors or members of delegated committees be able to dispute this refusal.

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## EXCLUSIONS

Any expenses arising from a breach of road, traffic, parking or other regulations or laws, including Council Local Laws, will not be reimbursed or funded in any way by Council.

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If a Councillor or member of a delegated committee chooses not to claim a particular expense, this cannot be offset against a claim for any additional amount associated with another expense.

Claims for expenses other than those included in these guidelines will not be reimbursed, except in exceptional circumstances and after Council has resolved that the claim is reasonable and should be reimbursed.

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## COUNCILLOR RESOURCES AND FACILITIES

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### MAYOR'S VEHICLE

A fully maintained vehicle will be provided to assist the Mayor to carry out his/her duties and for private use during the Mayoral term. In order to achieve an improved environmental outcome, the Mayor's vehicle is to be no larger than a medium sized passenger vehicle with a fuel consumption for a petrol or diesel fuelled vehicle of not more than 8 litres/100 kilometres or an LPG vehicle (based on the official fuel rating).

The vehicle is to be operated and maintained in line with the Light Fleet Policy.

Where possible, vehicles should attain a minimum of 5 stars under ANCAP safety assessment criteria.

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### INCLUSIVITY REQUIREMENTS

Council encourages wide participation and interest in civic office. It will seek to ensure that Council premises and associated facilities and equipment are accessible to all.

In addition to the provisions above, the CEO may authorise the provision of reasonable additional facilities and expenses in order to enable an elected member with a disability to perform their civic duties.

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### COMMUNICATIONS EQUIPMENT PROVIDED

Councillors shall be provided with appropriate communications equipment to ensure that they can adequately and efficiently perform their role as a Councillor, which as a minimum will include:

- A mobile phone (with email and calendar)
- Tablet with inbuilt internet capability
- Additional IT resources where internet connection unavailable or unreliable
- Council email account
- Other equipment as agreed

The make, model and specifications of any communications equipment, the associated contracts or plans and the replacement of any communications equipment shall be at the discretion of the CEO or his or her delegate.

The above facilities remain the property of the Council and must be returned at the end of a Councillor's term of office.

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Council will meet the purchase, installation, maintenance and service, connection and disconnection, subscription, rental and usage costs for all Council provided communications equipment.

Council will only meet the incidental costs of two 4G internet connections for each Councillor, except where additional, short term connections are required to facilitate travel or where the connection is necessary or appropriate for the purposes of achieving the objectives of Council.

Council may reimburse the purchase, installation, maintenance and service, connection, subscription, rental and usage expenses for equivalent equipment not provided by Council.

Councillors will only be reimbursed for such expenses where the purchase, installation, maintenance, service, connection, subscription, rental or usage has been approved in advance by the CEO.

Council may reimburse an amount less than the amount claimed, where the actual expense incurred is considered unreasonable, taking into account the estimated costs of using equivalent communications equipment provided by Council.

Council provided communications equipment is to be used for Council related business activities however it is acknowledged that, on occasion, limited personal use may be made of communications equipment.

Councillors will be regularly provided with mobile phone usage accounts and are required to sign a statement on each account, confirming:

- The value or amount of business use; and
- The value or amount of reasonable personal use.

Councillors are required to reimburse Council for the cost of their personal use of the equipment.

Council will review Councillors communication equipment and will update equipment at:

- The commencement of each electoral term;
- Any stage during the electoral term where Council believes an update is appropriate.

## USE OF COUNCIL EQUIPMENT

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Use of Council provided equipment is for Councillors use only.

The information technology platform provided for Councillors is based on Council licensed software and to assist the efficiency of the information technology no additional software is to be loaded onto Council provided hardware without the consent of the Chief Executive Officer.

Councillors have the responsibility to protect the equipment directly under their control.

Anti-virus protection and detection software is installed on Council communications equipment. Any suspected virus activity should be reported to the Office of the CEO.

Councillors are required to contact the Office of the CEO to report any damage or malfunction of any equipment.

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## OTHER

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### STATIONERY

Councillors may access and use standard stationery held or obtained generally for Council's requirements. Council stationery may only be used for carrying out duties as a Councillor.

### PROTECTIVE CLOTHING

Where requested, Council will provide protective clothing to Councillors when required to carry out the duties of office.

### LEGAL

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.

### MEALS/REFRESHMENTS

Where Council meetings are held at times that extend through normal meal times, Council will provide suitable meals. Councillors will be notified of meal arrangements for each meeting.

### INSURANCE

Councillors are covered by the following Council Insurance Policies while discharging their duties as a Councillor:

- Public Liability
- Professional Indemnity
- Councillors and Officer Liability
- Personal Accident Insurance (accompanying partners also covered) (Workcover)

Council will 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.

Councillors will not be covered for any deliberately fraudulent act or omission, or any wilful violation or breach of any law. Councillors must promptly advise the CEO of any matter which may give cause to a potential claim on Council.

### MAIL

Council will post mail which has been generated by Councillors in performing their duties. (Any document written by a Councillor in performing their duties is a Council document and a record must be kept by the Council.) This will be coordinated through the Office of the CEO.

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## COMPLIANCE WITH IT POLICIES

Councillors are to comply with the following Council policies:

- Business Technology Terms of Use (IS-01)
- Bring your own device (BYOD) (IS-02)
- Information Management Policy (IS-03)

## REPORTING

The Annual Report shall include the amount paid or attributed to a Councillor and include (but are not limited to) allowances, travel allowances and use of motor vehicle.

The Annual Report shall include a table detailing what equipment is provided to each Councillor.

Details of reimbursements will be reported to Council and the Audit and Risk Committee on a quarterly basis.

Reporting will include:

- expenses incurred by councillors during the quarter
- reimbursement claims made by councillors during the quarter
- reimbursements made by councillors during the quarter.

Council commits to monitoring processes and decision making to understand the overall success of the policy's implementation.

A period review of the policy will be undertaken to ensure any changes required to strengthen or update the policy are made in a timely manner.

## IMPLEMENTATION AND REVIEW

This policy will be implemented by Council and will be reviewed for any necessary amendments no later than four years after its formulation or after the last review.

## DOCUMENT CONTROL

Policy owner	Manager, Governance & Communications	Division	Executive
Adopted by Council	22 July 2020	Policy Number	18.5
File Number	D20/155065	Review date	July 2024

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