

# 2011/2012 Annual Report



## Councillors Payment of Expenses and Provision of Facilities Policy

# APPENDIX B

## PAYMENT OF EXPENSES AND PROVISION OF FACILITIES

### DOCUMENT SUMMARY

This Official Council Policy deals with the requirements of section 252 of the Local Government Act which requires Council to adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other Councillors in relation to discharging the functions of civic office.

### DOCUMENT CONTROL

Document Information	Information
Document ID	DOC/12/13676
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### Document History

Version	Issue Date	Changes
8	3 October 2012	Changes made to sections Reimbursement & Reconciliation Processes, Approval Procedure, Travel within LG Area, Travel outside LG Area, Overseas Gravel and Travel Costs

### Associated Documents

Document Type	Information (include relevant section numbers)
Associated Legislation	Local Government Act 1993 (NSW)
Associated Regulations	Local Government (General) Regulations 2005 (NSW)

### Document Approval

This document is the latest version of the official policy of the Wentworth Shire Council. All previous versions of this policy are null and void.

This policy may be amended or revoked by Council at any time.

General Manager	Signature	Date
Peter Kozlowski		3 October 2012

**PAYMENT OF EXPENSES AND PROVISION OF FACILITIES**

Associated Government Policies	The Model Code of Conduct for Local Councils in NSW (DLG) Councillor Induction and Professional Development Guide (DLG) No Excuse for Misuse, preventing the misuse of council resources (ICAC)
Associated Council Documents	CP202A – Scope of Equipment and Facilities for Councillors. CP202B – Councillor Request Form
Associated Operational Documents	N/A

**Document Approval**

This document is the latest version of the official policy of the Wentworth Shire Council. All previous versions of this policy are null and void.

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General Manager	Signature	Date
Peter Kozlowski		3 October 2012

## 1. STATEMENT OF POLICY INTENT

The intent of this policy is to meet the requirements of section 252 of the Local Government Act which requires Council to adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other Councillors in relation to discharging the functions of civic office.

## 2. POLICY SCOPE

This policy is applicable to all Councillors.

## 3. BACKGROUND INFORMATION

It is a requirement of the Local Government Act 1993 (NSW) and the Local Government (General) Regulations 2005 (NSW) that NSW Councils adopt a policy for the payment of expenses and the provision of facilities by Councils to Mayors and Councillors. This policy does not deal with matters associated with the setting and payment of Councillors annual fees, which are a matter for the Local Government Remuneration Tribunal.

## 4. DEFINITIONS AND ABBREVIATIONS (used in this policy)

This table summarises the main definitions and abbreviations contained within this policy

Act	Local Government Act 1993 (NSW)
DLG	Department of Local Government
GM	General Manager
ICAC	Independent Commission Against Corruption
Regulations	Local Government (General) Regulations 2005 (NSW)

## 5. POLICY

The policy of this Council is to ensure that Councillors are recompensed for legitimate and reasonable expenses and can access agreed resources through an equitable, accessible, transparent and accountable process, subject to DLG and ICAC Guidelines, and any relevant legislative requirements.

The purpose of this policy is to ensure that:

- there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors, and
- reasonable facilities are provided to assist Councillors to carry out their civic duties.

The objectives of this policy are to provide a framework for the payment of expenses and the provision of facilities to the Mayor, Deputy Mayor and other Councillors, which:

- reflects the requirements prescribed under the Act and the Regulations;
  - is acceptable to and meets the expectations of the community;
  - promotes the fulfilment of their roles as responsible community leaders and representatives;
  - is fair and reasonable;
  - sets appropriate financial limits, in accordance with best practice guidelines.
- In accordance with the recommendations of the DLG, where Councillors have determined that the provision of an expense or facility will not be provided then justification has been set out in the relevant section of the policy.

## **GUIDING PRINCIPLES**

### **COUNCILLOR CONDUCT**

As required by section 439 of the Act and reinforced by Council's Code of Conduct, Councillors must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out their functions.

Councillors should also be mindful of section 10B of the *Anti Discrimination Act 1977* which makes it unlawful for any member or members of a Council of a local government area when acting (whether alone or together) in the course of his, her or their official functions to discriminate against another member of the Council on the grounds of race, sex, transgender, marital status, disability, responsibilities as a carer or homosexuality.

### **EQUITY, ACCESS AND ABILITY TO PARTICIPATE**

This policy is to be applied in a non-discriminatory and equitable manner to enable full participation by Councillors from varied walks of life.

This policy will be interpreted so that reasonable provision for the special needs of Councillors is accommodated. This will include access to the appropriate parts of Council premises and facilities. It will also include provision for sight or hearing impaired Councillors, those with other disabilities and make reasonable transportation provisions for those unable to drive a vehicle.

### **PROHIBITIONS ON GENERAL ALLOWANCE**

Pursuant to section 252(3) of the Act, and clause 403 of the Regulations, Council will not pay a Councillor an allowance in the nature of a general expense allowance.

There are no provisions in this policy for a general expense or allowance clause.

### **PROHIBITIONS ON PRIVATE BENEFIT**

Councillors should not obtain private benefit from the provision of equipment and facilities, nor from travel bonuses such as 'frequent flyer' schemes or any other such loyalty programs. 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.

Where more substantial private use has occurred the Act provides that a payment may be made to cover the level of that private use. A suitable rate for private use is provided for in Table B of CP202A.

### **LIMITS TO EXPENSES AND PROVISION OF EQUIPMENT**

The equipment and facilities provided to Councillors is set out in Table A of CP202a of this policy.

The limits to expenses and the level of provision of equipment and facilities must be set to suit Councillor needs and also Council's capacity to afford them.

The limits for Wentworth Shire Council are set out in Table B and C of CP202a of this policy.

### **REPORTING REQUIREMENTS IN ANNUAL REPORT**

Section 428(f) of the Act requires Council to include in its annual report:

- The Council's policy on the provision of facilities for, and the payment of expenses to, Mayors and Councillors;
- A statement as to the total amount of money expended during the year on the provision of such facilities and the payment of such expenses.

Section 428(2)(r) of the Act requires Council to include in its Annual Report such other information as the Regulations may require. Clause 217 of the Regulations requires the inclusion of certain information in Council's Annual Report.

### **PAYMENT OF EXPENSES**

#### **TIME LIMITS**

Applications for reimbursement must be submitted by Councillors monthly on the day of the ordinary Council meeting. In a month where there is no ordinary Council meeting, application for reimbursement must be submitted on the third Wednesday of the month.

All expenses payments are either reimbursed after the event or reconciled if an advance payment is made to the Mayor or a Councillor in accordance with the following processes.

### **REIMBURSEMENT AND RECONCILIATION PROCESS**

Expenses are to be detailed on the appropriate form, certified by the individual Councillor, and submitted within the prescribed time to the General Manager's Executive Assistant for approval by the General Manager or delegate.

Supporting documents such as receipts, registration documents, conference details and booking confirmations must be attached to the appropriate form. The level of supporting documentation should be commensurate with the nature of the

expenditure. Where receipts are not required, Councillors are to certify that the expenditure was for the purpose intended.

Once the General Manager has approved the expense claim, the reimbursement costs will be processed and electronically transferred to the Councillor's bank account.

Councillors may request payment in advance in anticipation of expenses incurred in attending approved activities. Councillors may also request an advanced payment for the cost.

Requests for payment in advance must be made on the appropriate form.

Disbursement of money will only be made if it is authorised by the Act, either expressly or because the expense is supplemental, incidental to or consequential upon the exercise of Council's functions.

### **MONETARY LIMITS**

Councillors will be reimbursed based on **actual expenditure**. Monetary limits have been set by Council in relation to each type of expense. The limits have been set based on Council's needs and capacity to afford them.

Accommodation costs have been considered having regard to the variances between country areas, regional cities and State capitals.

The monetary limits are prescribed in Table B of CP202a of this policy. These monetary limits will be reviewed annually when this policy is reviewed.

### **APPROVAL PROCEDURE**

Councillors wishing to attend an activity (including conferences, meetings, functions, seminars, dinners, education, training and workshops), for which expenses will be claimed, should obtain approval for attendance via a resolution at a full meeting of Council.

The most appropriate form of travel to attend the activity in question should also be determined and approved by Council as part of the approval process.

Where approval at a full meeting of Council is not possible or practical, a Councillor must seek approval jointly from the Mayor and General Manager prior to committing to the event. In the case of the Mayor seeking such approval, the Deputy Mayor and the General Manager must give joint approval.

*Requests for attending activities should be in writing, where possible, outlining the benefits for Council on the appropriate form.*

### **SPOUSE, PARTNER AND ACCOMPANYING PERSON EXPENSES - WITHIN THE LOCAL GOVERNMENT AREA**

Council will meet the reasonable costs of spouses and partners or an accompanying person for attendance at official Council functions that are of a formal and ceremonial

nature within the local government area. Such functions would be those that a Councillor's spouse, partner or accompanying person could be reasonably expected to attend. Examples of such functions include:

- Australia Day ceremonies
- Civic receptions

### **SPOUSE, PARTNER AND ACCOMPANYING PERSON EXPENSES - LOCAL GOVERNMENT CONFERENCES**

Council will meet limited expenses of spouses, partners or accompanying persons associated with attendance at the Local Government and Shires Association's annual conferences. These expenses are to be limited to the costs of registration and the official conference dinner. Travel expenses, accommodation and sundry expenses for spouses, partners or accompanying persons are **not** included and are the responsibility of the individual Councillor.

If a service is shared between a Councillor and a spouse/partner/accompanying person, the expense associated with the service will be reimbursed as long as the expenses did not increase due to the attendance of the spouse/partner/accompanying person

### **EXPENSE CATEGORIES FOR THE MAYOR AND COUNCILLORS - CONFERENCES, SEMINARS AND FUNCTIONS**

Council will pay for the expenses outlined below which are associated with Councillors attending conferences, seminars and functions and are relevant to Council business and authorised by the method prescribed in this policy.

Councillors will be reimbursed based on actual expenditure. Monetary limits have been set by Council in relation to each type of expense. The limits have been set based on Council's needs and capacity to afford them.

Accommodation costs have been considered having regard to the variances between country areas, regional cities and State capitals.

The monetary limits are prescribed in Table B of CP202a of this policy. These monetary limits will be reviewed annually when this policy is reviewed.

Bookings and registration, once approved by Council, are to be made via the General Manager's Executive Assistant.

- **Accommodation:** within the limits defined in Table B of CP202a of this policy, including all official days of the conference/seminar and the days necessary to safely allow attendance and the return home. Council will meet the accommodation costs where it is necessary to stay overnight in order to attend authorised meetings, conferences, seminars and functions.

Where accommodation is provided at the same venue as where the event is being held, such accommodation costs may be met by Council despite the cost of the accommodation exceeding the limits prescribed by this policy.



- **Registration:** all registration costs associated with the approved function, including: official luncheons, dinners and tours relevant to business and interests of Council;
- **Travel Costs:** within the limits defined in Table B of CP202a of this policy
- **Incidental Expenses:** reasonable costs associated with attending the conference within the limits defined in Table B of CP202a of this policy and on production of the relevant receipts for the following:
  - all telephone and/or facsimile calls or internet charges relating to Council business;
  - meals and refreshments incurred whilst travelling to or from the conference and meals during the conference, which are not covered by the conference fee;
  - additional and/or optional activities that form part of the conference, but are not part of the conference fee;
  - parking fees and toll fees (but not parking fines);
  - laundry costs

#### **EXPENSE CATEGORIES FOR THE MAYOR AND COUNCILLORS - EDUCATION AND TRAINING**

Having regard to the Department of Local Government's *A New Direction for Local Government* position paper (October 2006), which encourages Councils to provide adequate expenses for Councillor training which assists them to be effective community leaders, Council will cover the costs of educational courses, training and workshop activities that directly relate to the Councillor's civic functions and responsibilities within the limits defined in Table B of CP202a of this policy.

Council will pay for (or reimburse) the reasonable costs associated with attending the approved education course, training or workshop activities.

Approval for education and training must be approved pursuant to provisions in this policy.

#### **EXPENSE CATEGORIES FOR THE MAYOR AND COUNCILLORS - ATTENDANCE AT DINNERS AND OTHER NON-COUNCIL FUNCTIONS**

The cost of Councillors' attendance at dinners and other non-Council functions, which provide briefings to Councillors from key members of the community, politicians and business, will be met by Council within the limits defined in Table B of CP202a of this policy when the function is relevant to Council's interest.

Approval for attendance at these activities must be approved in accordance with the provisions of this policy.

## EXPENSE CATEGORIES FOR THE MAYOR AND COUNCILLORS - TRAVEL COSTS

*Councillors may claim expenses associated with travel directly relating to Council business and activities.*

*Methods of approved transport are as follows:*

- *Council Vehicle – A suitable vehicle or vehicles will be provided for Councillors where practicable for travel relating to Council business and/or duties associated with the office of Councillor*
- *Private Transport – Councillors may utilise their own fully registered and comprehensively insured private vehicle for official travel if a suitable Council vehicle is not available for the journey. Council will reimburse associated travel costs such as parking and roads tolls. Councillors are responsible for all traffic or parking fines incurred while travelling in private or Council vehicles on Council business. Travel costs relating to private transport use will be reimbursed at the rate prescribed in Table B of CP202A of this policy for the distance calculated as the most direct route between the Councillor's usual place of residence and the venue.*
- *Airplane - All air travel is to be of economy class.*

*All travel by Councillors should be undertaken by utilising the most appropriate direct route and the most practicable and economical mode of transport subject to any personal and medical considerations.*

*Where travel by a motor vehicle is deemed to be the most appropriate mode of transport, a Council vehicle rather than a private vehicle should be utilised where possible and if more than one Councillor is travelling to the same destination, the vehicle (and the driving responsibilities) should be shared.*

*Travel outside of the Wentworth Shire Council local government area will be restricted to approved activities. Application for travel should include full details of the travel, including reason for travel, approximate costs and proposed means of transport. An exception to this would be for travel to neighbouring councils in Victoria to attend meetings or forums, this is to be considered as local travel.*

*Council will either pay in advance or reimburse the Councillor for travel costs for approved intrastate or interstate activities and functions incurred in representing Council in their **civic capacity**. Such travel expenses will also include reasonable incidental travel from accommodation to the actual venue including: bus, taxi, and train fares.*

*Reimbursement of expenses will not be granted unless approval is obtained prior to the travel.*

*Overseas travel must only be approved by a meeting of the full Council and such visits should only be approved if there are direct and tangible benefits for Council and the local community.*

*Councillors who attend an approved activity overseas must provide a comprehensive written report to Council setting forth the issues relevant to Council business and the matters relevant to the local community. This report should be tabled and presented at a full meeting of Council.*

*Overseas travel should generally be avoided due to the high costs involved.*

### **EXPENSE CATEGORIES FOR THE MAYOR AND COUNCILLORS - TELECOMMUNICATIONS: TELEPHONE CALLS, FACSIMILE AND INTERNET CHARGES**

Council will meet the cost of telephone calls (including mobile phone call costs), facsimile calls costs and internet access charges that relate to the Councillor's civic duties within the limits set in Table B of CP202a of this policy.

Reimbursement claims must be accompanied by an itemised bill with the relevant Council business transaction clearly identified and highlighted on the bill.

### **EXPENSE CATEGORIES FOR THE MAYOR AND COUNCILLORS - CARER AND OTHER RELATED EXPENSES**

Councillors can claim reimbursement of carer expenses, within the limits set out in Table B of CP202a of this policy, which were incurred while attending essential Council business. This may include childcare expenses and the care of immediate family members of Councillors who are elderly, have a disability and/or are sick.

Expenses will be reimbursed on production of receipts and written application must be made to the General Manager on each occasion that care is required, prior to the expense being incurred.

### **EXPENSE CATEGORIES FOR THE MAYOR AND COUNCILLORS - LEGAL EXPENSES**

Council may, by resolution, indemnify or reimburse the legal expenses of a Councillor in the following circumstances:

- Defending an action arising from the performance, in good faith, of a function under the Act;
- 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;
- 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.

Council will not:

- Meet the costs of an action in defamation taken by a Councillor as plaintiff in any circumstances; or
- Meet the costs of a Councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation;
- Meet the costs of an action initiated by a Councillor or group of Councillors in their personal names;
- Meet the costs of an action where the outcome of an action against the Councillor is substantially unfavourable to that Councillor.

In relation to reimbursement of legal costs by the Councillor in question, the amount of reimbursement shall be reduced by the amount of any moneys recouped by the Councillor in question in relation to the legal action in question.

## **REPORTING TO COUNCIL**

After returning from a conference, seminar, educational activity or training workshop Councillors (or an accompanying staff member if applicable) should provide a written report to Council on the aspects of the activity relevant to Council business and/or the local community in the format of the template available from the Executive Assistant to the General Manager.

No written report is required for the annual conferences of the Local Government and Shires Association or the Local Government Association of New South Wales.

The report should be submitted to Council via the General Manager at an ordinary meeting of Council within 2 months of returning from the relevant activity.

## **PROVISION OF FACILITIES**

### **PROVISION OF FACILITIES GENERALLY**

Use of Council equipment and facilities must be in accordance with Council's adopted code of conduct.

The mayor and other Councillors have specific needs in relation to carrying out their civic duties. Council will provide adequate facilities to assist all Councillors to fulfil these duties to a high standard.

All of the facilities and equipment supplied to Councillors will remain the property of Wentworth Shire Council and will be maintained in good order by the relevant Councillor.

Under no circumstances shall Councillors use administration services or other facilities for the purpose of producing or distributing local, State or Federal Government election material for either themselves or another person or for any other political purpose.

### **PRIVATE USE AND BENEFIT**

A Councillor must use Council resources effectively and economically in the course of his or her civic duties. Such resources should not be used for private purposes.

However, it is acknowledged that incidental private use of Council equipment and facilities may occur from time to time. Incidental private use is not subject to a compensatory payment.

Where more substantial private use has occurred section 242(2) of the Act provides that a policy made under section 252 may stipulate the amount of money payable to cover the level of the private use.

Table B of CP202A of this policy stipulates private use rates

## PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS

Equipment and facilities will be provided to Councillors to assist them to effectively carry out their civic duties as members of the elected body. Equipment and facilities will be provided as indicated in Table A of CP202A.

## ACQUISITION OF AND/OR RETURN OF FACILITIES AND EQUIPMENT BY COUNCILLORS

At the cessation of their civic duties (or if on a period of extended leave) Councillors are required to return all equipment and stationery issued to Councillors by Council. Such equipment and stationery should be returned within 28 days of ceasing civic duties or 7 days prior to commencing extended leave.

Alternatively, at the cessation of their duties, Councillors may elect to purchase Council equipment previously allocated to them. If the item is for sale it can be purchased at an agreed fair market price or written down value.

## RESPONSIBILITY/ACCOUNTABILITY

Councillors are responsible for providing receipts to support claims for reimbursement of expenses.

The Director Sustainable Organisation is responsible for including details of Mayoral and Councillor fees and benefits in the Council's Annual Report.

The Executive Assistant to the General Manager is responsible for ensuring Councillors are informed of the appropriate procedures to follow in the payment of expenses and provision of facilities to Councillors.

## RELATED DOCUMENTS

### ASSOCIATED LEGISLATION

The following statutory and regulatory provisions have also been considered in formulating this policy:

**Section 254 of the Act:** This section requires that a part of a Council or committee meeting which considers the adopting or amending of this policy must not be closed to the public.

**Section 23A of the Act:** This section makes provision for the Director General of the Department of Local Government to prepare, adopt or vary guidelines that relate to the exercise by a Council of any of its functions. It also requires a Council to take the relevant guidelines into consideration before exercising any of its functions.

**Clause 403 of the Regulations:** This clause stipulates that a policy under section 252 must not include any provision enabling a Council to pay a general expense allowance to a Councillor or make a Council motor vehicle available for the exclusive or primary use of a Councillor other than the Mayor.

## ASSOCIATED GOVERNMENT POLICY PROVISIONS

The following NSW Government Policies have also been considered:

**Department of Local Government Guidelines:** As noted above, this policy must comply with the Local Government Guidelines relating to section 252 policies.

**Department of Local Government Circulars:** This policy has taken into account the following Circulars:

- Circular 10/26 – Misuse of Council Resources
- Circular 11/27 – Findings from Review of Councillor Expenses and Facilities Policies
- Circular 09/36 – Revised Councillor Expenses and Facilities Guidelines
- Circular 05/08 – Legal Assistance for Councillor and Council Employees
- Circular 02/34 – Unauthorised use of Council resources

### Department of Local Government Position Papers

- *A New Direction for Local Government* (October 2006)

**The Model Code of Conduct for Local Councils in NSW:** This policy is consistent with the adopted Code of Conduct, in particular this policy was made being mindful of the Code provisions that relate to the use of Council resources.

**ICAC Publications:** This policy is consistent with the Independent Commission Against Corruption (ICAC) publication *No Excuse for Misuse - preventing misuse of Council resources (Guidelines 2)* November 2002

## ASSOCIATED COUNCIL DOCUMENTS

The following Wentworth Shire Council documents have been considered during the preparation of this policy:

**Code of Conduct**, generally, and in particular section 10 on Access to Information and Council Resources

## 6. POLICY COMMENCEMENT

This policy shall commence upon the date of the Council resolution of adoption or review, and it shall remain in force until specifically reviewed or revoked in writing by a subsequent resolution of the Council.

## 7. POLICY REVIEW

This policy may be amended or revoked by Council at any time. The policy is to be reviewed annually in accordance with legislative requirements

## 8. RESPONSIBILITY & ACCOUNTABILITY

The General Manager is responsible for ensuring that Council is operating in accordance with the provisions of this policy.

**9. ATTACHMENTS TO THIS POLICY**

CP202A – Scope of Equipment and Facilities for Councillors.  
CP202B – Councillor Request Form