



**CORANGAMITE
SHIRE**

Council Expenses

Corangamite Shire

August 2020

Council Policy



Council Expenses

Introduction

Councillors and members of delegated committees are entitled to the reimbursement of any necessary out-of-pocket expenses reasonably incurred while performing their duties, in accordance with the *Local Government Act 2020*.

Purpose

The purpose of this policy is to provide guidance on the reimbursement of Councillor expenses associated with the conduct of their role as Councillors, as well as reimbursement of expenses for independent Audit and Risk Committee members, and members of delegated committees.

Scope

This policy applies to all Councillors representing Corangamite Shire Council and independent members of the Audit and Risk Committee appointed by Council, in addition to members of delegated committees (if established). The policy applies from the date adopted.

Definitions

In this policy:

Councillor means a person elected to Corangamite Shire Council and capable of acting as a Councillor in accordance with the *Local Government Act*.

Audit and Risk Committee member means an independent member of the Audit and Risk Committee appointed by Council.

Delegated Committee member means a Council appointed member of a delegated committee established by Council, and not a Community Asset Committee.

Out-of-pocket expenses means expenses that are bona fide, have been reasonably incurred in the performance of the relevant role, and are reasonably necessary to perform that role. Out-of-pocket expenses particularly related to travel is limited to vehicle parking, road tolls, public transport costs, taxi charges and vehicle hire.

References

Local Government Act 2020

Income Tax Assessment Regulations 1997 (Cth)

Local Government (Planning and Reporting) Regulations

Vehicle Light Fleet Policy and Procedures

Support for Councillor Professional Development Policy

Council's Organisational Electronic Communications Policy

Council's Organisational Council Owned Smartphone Tablet Usage Policy

Victorian Government Gazette G27, 5 July 2012, page 1491.

Policy Detail

Valid Expenses Criteria

Council will reimburse out-of-pocket expenses including those specified in this policy where the expenses are bona fide, have been reasonably incurred in the performance of the relevant role, and are reasonably necessary to perform that role.

Types of Expenses

Travel Expenses for Councillors

Travelling expenses will be paid to a Councillor for out-of-pocket expenses related to:

- Council meetings, special Council meetings, briefings, meetings of committees of Council and Council business related to Council meetings.
- Council functions.
- Inspections and meetings with planning applicants.
- Road inspections or other property inspections within Corangamite Shire relating to the role and responsibilities of a Councillor.
- Meetings as a result of a Councillor being appointed by the Council to an external body¹ or internal committee.
- Meetings or occasions in accordance with the *Support for Councillor Professional Development Policy*.
- Any other meeting, event or function attended in the capacity as a Councillor.

Road Travel

The following parameters are to be applied to road travel:

- Council will provide the Mayor with a vehicle.
- Where possible, Councillors are to seek to use a Council pool car for travel involved in performing their duties.
- Rates for reimbursement of motor vehicle expenses shall be reimbursed on a per kilometre basis as prescribed in accordance with section 28-25 of the *Income Tax Assessment Act 1997 (Cth)*.

Remote Area Travel Allowance for Councillors

Councillors, including the Mayor, are entitled to receive a remote area travel allowance as prescribed by the relevant Order in Council published in the Victorian Government Gazette. The current remote area travel allowance for councillors travelling more than 50 km from home to attend official meetings or functions is \$40 for each day of travel to a maximum of \$5000 a year.

Other Forms of Travel

- When travelling interstate, the mode of transport is to be the most cost-effective mode of transport.
- When travel is by air, the standard form of travel is to be economy class.

Travel Expenses for Independent Audit and Risk Committee Members

Travelling expenses will be paid to an independent member of the Audit and Risk Committee for out-of-pocket expenses related to:

- Audit and Risk Committee meetings.
- Meetings related to Audit and Risk Committee business.
- Any other meeting, event or function attended in the capacity as an Audit and Risk Committee member.

¹ Expenses will not be paid in the event that these expenses are reimbursed directly to the Councillor by the relevant external body.

Rates for reimbursement of motor vehicle expenses shall be reimbursed on a per kilometre basis as prescribed in accordance with section 28-25 of the *Income Tax Assessment Act 1997 (Cth)*.

Travel Expenses for Delegated Committee Members

Travelling expenses will be paid to members of Delegated Committees for out-of-pocket expenses related to:

- Attending formal meetings of the Delegated Committee.
- Attending any other special event or function, that has been organised by Council, in the capacity as a Delegated Committee member.

Rates for reimbursement of motor vehicle expenses shall be reimbursed on a per kilometre basis as prescribed in accordance with section 28-25 of the *Income Tax Assessment Act 1997 (Cth)*.

Carer Expenses

Council acknowledges that Councillors, independent Audit and Risk Committee members and members of Delegated Committees may at times require child care services, or respite or care services if they are a carer in a care relationship within the meaning of section 4 of the *Carers Recognition Act 2012*.

Reimbursements for care expenses that is reasonably required for a Councillor, independent Audit and Risk Committee member or Delegated Committee member will be made to:

- A recognised care provider; or
- A person who does not:
 - Reside either permanently or temporarily with the Councillor or the relative for whom care is being provided
 - Have a relationship with the Councillor or his or her partner such that it would be inappropriate for Council to reimburse monies paid to the care provider.

Reimbursements for care expenses will not be made where services attract alternative reimbursements and this is being utilised.

Reimbursements for care expenses will be paid to a maximum of \$2500 (including GST) per year.

Accommodation and Professional Development

Councillors and independent Audit and Risk Committee members will be reimbursed for accommodation and other expenses (including meals, but not alcohol) associated with accessing training and development opportunities. Councillors and independent Audit and Committee members should apply best value principles when accessing services including accommodation. Further direction for Councillors is outlined in Council's *Support for Councillor Professional Development Policy*. Please refer to this policy for more detail.

Communication Expenses for Councillors

All use of Council electronic equipment, including private use for which Councillors provide a reimbursement to Council, is governed by Councils' electronic communications policies.

Mobile Phone

Council will provide Councillors with a smartphone for which Council will be billed. Reasonable personal use for use of the phone will apply.

Councillors who choose to use their own phone may submit an itemised bill for reimbursement. Alternatively, Councillors using their own phone may choose to be reimbursed each month an amount not more than 50% of the phone plan capped at \$50 per month, with evidence of the plan to be provided prior to payments commencing.

Stationery

The Council will, upon request, provide Councillors and independent Audit and Committee members with standard stationery items, including paper, business cards, writing implements, diaries, writing pads/books and covers for smartphones and tablets.

Tablet or Equivalent

Council will provide all Councillors with the use of a tablet (or equivalent) and Air Printer (on request). These are for use for Council business purposes and reasonable personal use.

Internet Connection/Data

Council issued smartphones and tablets (or equivalent) will have an internet connection/data plan. Reasonable personal use of data will apply.

Incidental (General) Reimbursement

Claims by Councillors and members of a delegated committee for incidental out-of-pocket expenses will be assessed against the valid expenses criteria within this policy.

Legal Costs for Councillors

Council will only meet legal expenses incurred as a result of a Councillor executing their official duties.

If a councillor requires legal advice in connection with his or her functions as a councillor:

1. The Chief Executive Officer may facilitate such legal advice and confirm that Council will meet the expenses if the cost of the legal advice will be less than \$6000 (excluding GST) per advice and meets the criteria below; or
2. Council may, by resolution, approve the expense if the cost of the legal advice will be \$6000 (excluding GST) or more per advice and meets the criteria below.
3. Any requirement by a Councillor for legal advice to be paid by Council must be assessed against the following criteria:
 - a. The extent to which the subject matter of the advice required relates to the councillor's functions as a councillor.
 - b. The extent to which the subject matter of the advice required relates to a matter before Council or the Councillor's representative role as a Councillor.
 - c. The extent to which the subject matter of the advice required will or is likely to be of interest to all Councillors.
 - d. The public interest.
 - e. Any other relevant considerations.

4. The Chief Executive Officer will report to the Mayor in relation to legal costs for Councillors approved by the Chief Executive Officer.
5. Unless VCAT orders otherwise, a Council must pay the legal costs of individual Councillors in conduct hearings into alleged misconduct, but only where Council has made the application to VCAT or has requested to be a party to a matter in VCAT.

Payment of Expenses Procedure

Councillors, independent Audit and Committee members, and members of Delegated Committees wishing to claim expenses related to their duties should complete the relevant Reimbursement Request Form and submit it to the Governance office with receipts for any expenses incurred. Receipts for fuel purchases are not required, however mileage travelled for each applicable journey must be noted on the claim form.

The expenses, unless authorised by the Chief Executive Officer or the Director Corporate and Community Services, will be paid in arrears.

Claims for reimbursement are to be submitted monthly.

Reporting

Details of all reimbursements will be reported to the Audit and Risk Committee in accordance with the *Local Government Act 2020*.

Councillors will be provided with a copy of the report provided to the Audit and Risk Committee.

Review Date

This policy will be reviewed in 2024, or earlier as required.

It is considered that this Policy does not impact negatively on any rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.