

5.12. EXPENSE REIMBURSEMENT - COUNCILLORS POLICY

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RECOMMENDATION

That Council adopt the revised Expense Reimbursement- Councillor Policy as presented.

EXECUTIVE SUMMARY

A review and adoption of the Caretaker Period Policy identified that the Expense Reimbursement - Councillor Policy is linked to the Caretaker Period Policy. The Expense Reimbursement - Councillor Policy is past its review date and it is an appropriate time to review and update.

BACKGROUND

The Caretaker Period Policy has been reviewed and adopted to take into account relevant requirements following the staging of the 2020 Quadrennial Local Council Elections.

The Expense Reimbursement - Councillor Policy is connected to the Caretaker Period Policy and required review and consolidation to appropriately articulate and reflect contemporaneous community expectations and accurately reflect legislative changes arising from changes implemented as a result of the Crime and Corruption Commission Queensland Belcarra report.

FINANCIAL/RESOURCE IMPLICATIONS

Not applicable for the 2019/2020 Budget, however future budget considerations will take into account any relevant update contained in this policy.

RISK MANAGEMENT IMPLICATIONS

Failure to comply with statutory and legal organisational obligations and responsibilities.

SUSTAINABILITY IMPLICATIONS

Economic: Nil

Environmental: Nil

Social: Nil

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2019-2024 Initiatives:

Theme 5 - Robust Governance and Efficient Service Delivery

Strong governance and financial management are the foundations of the way in which Council will conduct its business and implement the initiatives of the Corporate Plan.

Goal 1 - *We will conduct Council business in an open and transparent manner with strong oversight and open reporting.*

Operational Plan 2019-2020 Actions:

5.2.3 - *Implement continuous improvement program.*

COUNCIL'S ROLE

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

Regulator	Council has a number of statutory obligations detailed in numerous regulations and legislative Acts. Council also makes local laws to ensure that the Shire is well governed. In fulfilling its role as regulator, Council will utilise an outcomes based approach that balances the needs of the community with social and natural justice.
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CONSULTATION

Internal: Nil

External: Nil

COMMUNITY ENGAGEMENT

Nil

ATTACHMENTS

1. Expenses Reimbursement Councillors Policy [YKP5] [5.12.1 - 7 pages]

9. EXPENSES REIMBURSEMENT – COUNCILLORS POLICY (STATUTORY)

Purpose / Objective

This policy outlines Council's assessment and interpretation of reasonable expenses which are suitable to be reimbursed to Councillors, on the basis that the expenses were incurred as a direct result of performing the duties of a Councillor and provides a framework for the reimbursement of reasonable expenses as defined in the Local Government Act 2009 (LGA).

The objectives of this policy are:

1. To provide for Council-owned assets that will be made available to Councillors to accommodate the discharge of their duties;
2. To provide for reasonable expenses capable of being claimed as a reimbursement or an expense by Councillors in performing their duties; and
3. To set the parameters of Councillor Expenses.

Purpose and Scope

This policy applies to the Mayor and all Councillors of the Douglas Shire Council.

Policy Statement

Section 250 of the *Local Government Regulation 2012* requires a local government to adopt an expenses and reimbursement policy. Douglas Shire Council adopts this policy in accordance with section 4 of the *Local Government Act 2009* and adopts the local government principles to define how this policy shall operate and explicitly determines that the provision of facilities, assets and reimbursement shall be transparent and accountable.

The broad principle adopted by Council in connection to the provision and use of Council-owned assets to Councillors is to enable Councillors to effectively discharge the requirements of their office. Specific limitations about the use of these assets are adopted to ensure that Council-owned assets are not utilised for purposes other than those directly related to the office holder.

Entitlement

Councillors are entitled to be reimbursed for reasonable expenses incurred while undertaking Council business and will be provided with Council owned assets to assist in undertaking their duties in accordance with this policy.

A Councillor's term commences on the day after the conclusion of the Councillor's election or on the day the Councillor is appointed in accordance with section 159 of the LGA. A Councillor's term ends at the conclusion of the next quadrennial election, or if appointed midterm at a fresh election at the conclusion of the next quadrennial election, or if the Councillor is appointed to fill a vacancy at the conclusion of the next quadrennial election or when the Councillor's office becomes vacant for any other reason in accordance with section 160 of the LGA.

Councillors are entitled to make claims and use the Council owned assets under this policy for the duration of their official appointment as Councillors except in accordance with the Local Government Electoral Act 2011. Councillors are not permitted to use any of the provided Council owned assets for electioneering purposes.

Expenses

The Mayor will be provided with a council credit card for business use under the approved administrative process. All claims for reimbursement must be submitted on a monthly basis to the Chief Executive Officer.

The following credit card limits will apply:

- Mayor \$5,000

Professional Development

Councillors are encouraged to undertake relevant professional development as defined in this policy and will be reimbursed or entitled to the cost of reasonable expenses incurred for professional development on provision that sufficient funding remains in the budget.

Travel Costs

Where practical, Councillors should travel via the most direct route, using the most economical and efficient mode of transport, whether public or private. Incidental deviations are allowed where the distance travelled is not material.

Councillors are entitled to be reimbursed for travel costs when undertaking professional development or Council business, in accordance with the following conditions:

1. Council will book and pay for all travel under this policy;
2. Economy class travel is the standard, unless otherwise approved;
3. Travel is undertaken via the most direct route;
4. Requests for travel should be made in sufficient time to take advantage of discounts and
5. gain access to the widest range of flights;
6. Travel tickets are not transferable;
7. Travel insurance is provided for all Councillors on Council business.

Parking, Tolls, Public Transport

Councillors may be reimbursed for parking as well as costs associated with travel via public transport where such costs are incurred in the course of undertaking professional development or Council business. Any fines or infringements issued while undertaking such activities are the personal responsibility of the Councillor incurring the fine.

Council will cover reasonable costs for tolls and other charges associated with toll roads. The Chief Executive Officer (CEO) may seek to recover the cost of tolls and other charges from Councillors from time to time should it become apparent that the costs incurred are not reasonable.

Accommodation

Councillors are entitled to stay in accommodation to a standard of 4 stars or equivalent where possible when undertaking professional development or other Council business where it is not reasonable for the Councillor to return home for the night, in accordance with the following conditions:

1. Council will book and pay for all accommodation under this policy;

2. Accommodation offered as part of a conference package will be booked where practicable;
3. Where a Councillor chooses to stay with friends or family, no accommodation expenses will be paid.
4. Councillors may be reimbursed for reasonable incidentals in accordance with this policy.

Meals

Councillors are entitled to be reimbursed for the cost of meals in accordance with the Australian Tax Office's Taxation Determination ruling Income Tax: what are the reasonable travel and overtime meal allowance expense amounts for the relevant income year, when undertaking professional development or Council business within the following conditions:

1. The costs are incurred personally; and
2. The meal was not provided as part of the registration costs of the activity, event or included in the travel booking.

Councillors will be reimbursed for this provision – receipts must be supplied.

Hospitality

Councillors are entitled to reimbursement of reasonable costs for providing hospitality as defined within this policy provided sufficient funding remains in the approved entitlement budget. The provision of hospitality is to be in accordance with the Entertainment and Hospitality Expenditure Policy.

- \$1,000.00 per annum for the Mayor.

Facilities

Administrative support

Councillors are entitled to reasonable administrative support to be able to perform their duties and undertake Council business. Councillor support staff will be employees of Council and subject to Council's usual terms and conditions of employment. The service level for Councillors' support staff will be reviewed on a periodic basis and shall be subject to budgetary and operational constraints. Councillor support staff will not assist Councillors in organising their non-Council related business or any electioneering activities.

Council office accommodation and meeting rooms

Councillors are entitled to reasonable office accommodation and access to meeting rooms to be able to perform their duties and undertake Council business. The standard of office accommodation will be determined by the CEO and located at Council-owned or leased premises. Appropriate furniture will be provided to ensure the Councillor can perform their duties.

Business and communication tools

Councillors will be issued with business and communication tools to assist them in performing their duties and undertaking Council business, in accordance with the following conditions:

1. Procured by Council and are of the same standard as those available to senior management.
2. All tools remain the property of the Council and must be accounted for during any audit and returned at the end of the Councillor's term of office.
3. Councillors are expected to comply with the same conditions of use, guidelines and processes for business and communication tools that apply to employees.

Councillors will be paid an allowance of \$600 per annum for them to provide their own home office and associated communication requirements. It is the responsibility of each Councillor to ensure that where a

home office is established, all workplace health and safety legislative requirements are met and where required, Council's Workplace Health and Safety Unit will provide assistance.

Councillors will be paid an allowance for this provision – through the payroll system each fortnight.

Mobile device costs

Councillors will be provided with a mobile telephone by Council. Council will place the phones on a phone plan which most suits the Council business demands of the Mayor and Councillors. It is understood that from a practical point of view this phone will be available for both their business and reasonable private use. Unless the costs can be justified as a genuine business cost, all call costs above the plan limit are expected to be met by the respective Councillors as a private expense. Should Councillors decide to not accept a Council provided phone, Council will reimburse the Councillor for all Council related call costs.

Vehicles

The Mayor is entitled to be provided with a Council owned vehicle for Council business. It is recognised that community expectations and demands on the Mayor are such that generally all vehicle use is deemed to be Council business. The requirement to calculate private use is not applicable to the Mayor, unless the Mayor takes personal leave from Council for a period of more than one week.

All vehicles will be supplied and maintained in accordance with the relevant Council vehicle and fleet management policies.

The Mayor or a Councillor who use their own private vehicle for business purposes can claim a mileage allowance for the business use of the vehicle, as per mileage allowances recommended by the Australian Tax Office (ATO). The mileage rate shall apply to all kilometres travelled in the financial year. Such claims shall be supported by ATO compliant records and be submitted on a monthly basis.

Councillors will be reimbursed for this provision – logbook must be supplied.

Legal costs and insurance cover

Council may decide, by resolution, pursuant to section 107 of the Act, to cover costs incurred through any inquiry, investigation, hearing or legal proceedings into the conduct of a Councillor, or arising out of, or in connection with the Councillor's performance of his/her duties.

Councillors will be covered under Council insurance policies while discharging their duties. Specifically, insurance cover will be provided for public liability, professional indemnity, Councillors' liability, personal accident and/worker's compensation, international and domestic travel insurance.

Exclusions

Family member travel

Councillors shall not be reimbursed for expenses incurred for spouses, partners or other family members and if Council has incurred expenses for the excluded expenses for the sake of expediency or convenience, Councillors will reimburse to Council the full amount of the expense.

The CEO, at their discretion, may approve partner travel costs for attendance of Councillors and their partners at endorsed events.

Advertising

Councillors are not entitled to be reimbursed or provided with funds, services or facilities for advertising purposes.

Alcohol

Councillors are not entitled to be reimbursed or provided with funds for the purchase of alcoholic beverages without the prior approval of the CEO.

Overseas travel

Resolution of Council is required for non-personal overseas travel under this policy.

Other exclusions

1. Expenses related to functions and activities requested or organised by Council groups will be met from the relevant approved group budget.
2. Expenses associated with participation in the following programs will be met from existing budgets:
 - i. Australian Local Government Association National General Assembly when attending as Council’s voting delegate;
 - ii. Local Government Association of Queensland Annual Conference when attending as Council’s voting delegate;
 - iii. Local Government Association of Queensland Elected Member Updates when organised for all Councillors;
 - iv. New Councillor orientation programs;
 - v. Other events as may be approved by the CEO from time to time, including but not limited to, other training and or workshop related activities.

It is reasonable that expenses associated with advocacy and representative activities undertaken by the Mayor and Deputy Mayor on behalf of Council to be adequately funded from existing budgets for this purpose.

Definitions

TERM	DEFINITION
Council Business	This is official business conducted on behalf of, and approved by, Council where a Councillor is required to undertake certain tasks to satisfy legislative requirements or achieve business continuity for the Council. Council Business should result in a benefit being achieved either for the local government and/or the local government area. Participating in a community group event or being a representative on a board not associated with Council is not regarded as Council Business.
Councillors	Councillors shall mean the Mayor, Deputy Mayor and Councillors.
Council Owned Assets	Means any item of equipment, provided by Council at Council's expense to a Councillor to assist in the effective discharge of their official duties.
Civic Duties	Means Council Business
Discretionary Training	Is any training that is not determined by council as “mandatory’

TERM	DEFINITION
Expense	Expenses are payments made by Councils to reimburse Councillors for their reasonable expenditure incurred or to be incurred when discharging their duties as Councillors. These payments are not regarded as remuneration. The expenses may be either reimbursed to Councillors or paid direct by Council for something that is deemed a necessary cost or charge when performing their roles.
Facility	Facilities provided by Councils to Councillors are the 'tools of trade' required to enable them to perform their duties with relative ease and at a standard appropriate to fulfil their professional role for the community.
Hospitality	Includes, but is not limited to, the provision of: <ul style="list-style-type: none"> • Food or beverages while undertaking Council business; and • Corporate gifts as defined in this policy, on proviso that sufficient funds remain in the budget
Private Use	Means any use of Council-owned assets for other than official Council Business is private use. For the purposes of this policy private use does not include: <ul style="list-style-type: none"> • Travel between a Councillor's home and the official Council business; and • Any incidental deviations from the direct travel route where the distance travelled is not material.
Professional Development	Means any facilitated learning opportunity. This includes, but is not limited to: <ul style="list-style-type: none"> • Conferences, workshops, seminars or training provided by a government department (e.g. Department of Local Government) or professional association; • Study tours, conferences, workshops, meetings where a Councillor has been approved as Council's representative; • Membership of relevant professional or industry associations; • Subscriptions to relevant professional association or industry journals; • Purchase of relevant published reference materials including books and journals
Reasonable	Councils must make sound judgements and consider what is prudent, responsible and acceptable to their communities when determining reasonable levels of facilities and expenditure. The community expects limits and does not want to see excessive use or abuse of public funds.
Reimbursement	Means to make repayment of eligible expenditure.

Consideration of Human Rights under Human Rights Act 2019.

In acknowledgement of the fundamental human rights recognised in International covenants this Council Policy has been developed and acknowledges a commitment to recognise the importance and protection of human rights in creating policies that serve to develop overarching frameworks, standards, behaviours or actions that affect the way in which Council serves the community of the Douglas Shire.

An assessment of this policy against the human rights determined that no human rights are limited or affected by this policy.

Compliance, Monitor and Review

Each Councillor, including the Mayor, issued with a Council-owned asset is responsible for their own monitoring of any private use component of any Council-owned asset issued to promote the facilitation of Councillors duties of office, including this:

- Aligns with relevant legislation;
- Aligns with requirements of transparency under the Local Government Act 2009; and
- Meets all ethical requirements imposed on Councillors in public office.

Related Legislation

Local Government Act 2009
Local Government Regulation 2012
Local Government Electoral Act 2011
Public Sector Ethics Act 1994
Human Rights Act 2019

Related Documents

Entertainment and Hospitality Expense General Policy
 Councillor Code of Conduct
 Advertising Spending Policy
 Councillor Code of Conduct
 Caretaker Period Policy
 Entertainment and Hospitality Expenditure Policy

Policy Requirements

This document replaces the previous Expenses Reimbursement Policy for Elected Representative General Policy.

Policy Details

Policy Name	Expenses Reimbursement Policy for Elected Representatives
Policy Number	9
Policy Version	4
Document Number	910180
Endorsed by	Chief Executive Officer
Policy Type	Statutory
Approval Authority	Council
Date Adopted	30 June 2020
Time Period	One Year
Review Date	May 2021
Policy Department	Governance
Link to Corporate Plan	Robust Governance and Efficient Service Delivery
Revoked/Superseded	N/A