

REPORTS THROUGH THE GENERAL MANAGER

02 [GC-OC] Councillors - Payment of Expenses and Provision of Facilities for Mayors and Councillors

ORIGIN:

Corporate Compliance

SUMMARY OF REPORT:

In accordance with Section 252 of the Local Government Act 1993, Council must within five months after the end of each year adopt a policy concerning the payment of expenses incurred or to be incurred by and the provision of facilities to Mayors, Deputy Mayors and other Councillors.

In accordance with Section 253 of the Local Government Act 1993, Council must advertise the draft policy for at least 28 days and call for public submissions. In regard to the 2006/2007 policy, Council has up until 28 February 2007 to deliver to the Department of Local Government its policy. However, it is suggested that Council should implement the processes to adopt a new policy at its meeting of 19 December 2006, thus eliminating any concerns of residents not being able to provide a public submission due to the festive season period.

RECOMMENDATION:

That the 'Councillors - Payment of Expenses and Provision of Facilities for Mayors and Councillors' Draft Policy be placed on exhibition for public comment for at least 28 days, for further consideration at its meeting of 19 December 2006.

REPORT:

In accordance with Section 252 of the Local Government Act 1993, Council must within five months after the end of each year adopt a policy concerning the payment of expenses incurred or to be incurred by and the provision of facilities to Mayors, Deputy Mayors and other Councillors.

To assist Council in adopting a policy, the Department of Local Government has issued new guidelines for all NSW Council's contained in Circular 06-57 – Guidelines for the Payment of Expenses and the Provision of facilities to Mayors and Councillors.

The current policy for Tweed Shire Council – Councillors, was adopted on 15 December 2004 and needs minor changes to ensure compliance with the Department's new guidelines. The policy contains information on Councillor Administration, Fees, Expenses and Facilities.

A new draft policy, Councillors - Payment of Expenses and Provision of facilities for Mayors and Councillors has been prepared in accordance with the new guidelines.

The draft policy establishes strong audit and accountability requirements that Councillors must adhere to before any reimbursement will be approved, including production of receipts.

Other requirements include the establishment of monetary limits and standards for the payment of expenses, such as:

- Mobile Telephone Charges - \$400 per month for the Mayor and \$200 per month for other Councillors;
- Care and other related expenses \$2,000 per annum;
- Incidental expenses incurred in attending approved conferences, seminars, training and educational courses;
- Spouse and partner expenses and
- Attendance at dinners and other non-council functions, seminars, conferences, training and educational courses, travel arrangements, both local and outside local government area, postage and insurance.

In regard to the provision of facilities, the policy provides standards on the dedicated mayoral vehicle, other mayoral facilities and services and provision of other facilities generally to Councillors.

To enable Council to have a policy in place that complies with the guidelines, it is necessary to resolve to place the draft policy on public exhibition for at least 28 days and invites submissions. Council should consider any submissions and adopt the updated policy at its meeting of 19 December 2006.

Tweed Shire Council

Policy Document

Councillors – Payment of Expenses and Provision of Facilities for Mayors and Councillors

PART 1 INTRODUCTION

Purpose of the Policy

The purpose of the policy is to ensure that there is accountability and transparency in the reimbursement of expenses incurred or to be incurred by Councillors. The policy also ensures that the facilities provided to assist Councillors to carry out their civic duties are reasonable.

Objectives and coverage of the Policy

In accordance with Section 439 of the Local Government Act 1993, Councillors must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out their functions under this Act or any other Act.

Furthermore, it is to ensure that the Councillors would not be financially or otherwise disadvantaged in undertaking their civic responsibilities.

Legislative Compliance

The Local Government Act 1993 has statutory requirements which describe what fees, expenses and facilities may be paid or provided to Councillors.

Information on the pertinent sections applicable to this policy is contained in the Department of Local Government's Circular 06-57 - Guidelines for the Payment of Expenses and the Provision of Facilities to Mayors and Councillors.

Other NSW Government policy provisions

There are a number of publications which provide assistance to Councillors in complying with the provisions of this policy.

DLG Guidelines for payment of expenses and provisions of facilities

Section 252(5) of the Local Government 1993, the Council expenses policy must comply with these guidelines issued under Section 23A of the Act.

Model Code of Conduct

This policy is consistent with the Model Code of Conduct for Local Councils in NSW in particular with the use of Council resources.

DLG Circulars to Councils

Circular 05/08 Legal assistance for Councillors and Council employees
Circular 02/34 Unauthorised use of Council resources

Adopted at Council Meeting held

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REPLACEMENT REPORT

THIS IS PAGE No 3 OF THE AGENDA OF THE TWEED SHIRE COUNCIL OPERATIONS COMMITTEE MEETING HELD TUESDAY 17 OCTOBER 2006

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ICAC publications

No Excuse for Misuse, preventing the misuse of Council resources.

PART 2 PAYMENT OF EXPENSES

GENERAL PROVISIONS

Allowances and expenses

No annual, monthly or daily allowance or expenses type allowance payment shall be payable in any circumstances.

Reimbursement and reconciliation of expenses

Reimbursement of expenses shall only be made upon the production of appropriate receipts and tax invoices and the completion of the required claim forms.

All reimbursement of expenses must be approved by the General Manager.

All expenses being reimbursed must be in accordance with the provisions of this policy.

A Councillor seeking reimbursement of expenses must lodge a claim within three months of the expense being incurred.

Payment in advance

This policy does not provide for cash payments being advanced to Councillors in anticipation of expenses being incurred in the conduct of their civic duties.

Establishment of monetary limits and standards

Monetary limits applying to this policy include:

- **Mobile Telephone**

Council will meet the cost of providing the mobile telephone, maintenance, monthly service and access fees, and call charges up to a maximum of \$400 per month for the Mayor and \$200 per month for other Councillors made in the conduct of the civic duties only.

- **Care and other related expenses**

The maximum entitlement for such expenses is \$2,000 per annum.

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Incidental expenses incurred in attending related Council business, approved conferences, seminars, training and educational courses

Facsimile -	to and from Council Office or residence only;
Internet Charges -	maximum daily limit \$5.00;
Laundry and Dry Cleaning-	maximum daily limit \$10.00;
Newspapers -	maximum daily limit \$2.00;
Taxi Fares -	from transport destination to accommodation and/or conference venue
Parking Fees -	include airport parking when plane travel is being used,

Any other costs incurred by a Councillor in addition to the daily limits, are the responsibility of the individual Councillor.

Councillors are to use their mobile telephones for all calls including business and private. Special circumstances will be permitted, when mobile telephone reception does not allow the use of a mobile telephone.

The daily limit for meals (including refreshments) will be in accordance with the Australian Taxation Office allowance guideline.

Spouse and partner expenses

Council will not normally reimburse the expenses of spouses, partners and accompanying persons for attendance at any Council function.

Council may reimburse expenses of spouse, partners and accompanying persons in certain and special circumstances at any Council approved function, with prior approval being sought from the Mayor and General Manager.

Accommodation (shared basis) will be met by Council, provided that there are no additional costs incurred by Council.

Mayor and Councillors must make separate arrangements for the payment of expenses incurred by a spouse or partner.

SPECIFIC EXPENSES FOR MAYORS AND COUNCILLORS

Attendance at dinners and other non-Council functions

Consideration may be given to meeting 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.

Approval to meet expenses will only be given when the function is relevant to Council's interest and attendance at the function is open to all Councillors.

Adopted at Council Meeting held

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No payment will be reimbursed for any component of the ticket that is additional to the service cost of the function, such as a donation to a political party or candidate electoral fund or some other private benefit.

An additional payment to a registered charity may be acceptable as part of the cost of the function.

Councillors seeking reimbursement for this type of expense, must have it approved by Council and not the General Manager.

Attendance at seminars and conferences

Attendance at conferences and seminars by Councillors must be authorised in advance by a Council Resolution. An exception may occur in an emergency, then such attendance must be authorised by the Mayor and General Manager.

The exception will only apply to short tem (1 day) events and be organised within the local region.

Council will be responsible for the following expenses to be incurred by a Councillor in attending an approved conference or seminar.

- **Registration Expenses**

Including official luncheons, dinners and tours relevant to the conference, seminar or training course.

- **Travel Expenses - Local or Outside Local Government area**

As detailed within this policy.

- **Accommodation Expenses**

Accommodation for attendance at approved conferences, seminars and training courses will only be authorised on the following basis:

- venue where the conference, seminar and training course is being conducted;
- where venue is unavailable, then the alternative venue is up to a standard of four star NRMA rating;
- night before and after depending on the event and travel circumstance, such approval must be obtained in advance from the General Manager;
- Council to make the relevant accommodation booking.

- **Meals and Other Incidental Expenses**

Outlined in the establishment of monetary limits and standard provisions contained in this policy.

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Attendance at training and educational courses

Attendance at training and educational courses by Councillors must be authorised in advance by a Council Resolution. An exception may occur in an emergency, then such attendance must be authorised by the Mayor and General Manager.

The exception will only apply to short term (1 day) events and be organised within the local region and facilitated by the Local Government & Shires Association, Independent Commission Against Corruption or Department of Local Government.

Council will be responsible for the following expenses to be incurred by a Councillor in attending an approved training or educational courses.

- **Registration Expenses**

Including official luncheons, dinners and tours relevant to the training or educational course.

- **Travel Expenses - Local or Outside Local Government area**

As detailed within this policy.

- **Accommodation Expenses**

Accommodation for attendance at approved training or educational courses will only be authorised on the following basis:

- venue where the training or educational course is being conducted;
- where venue is unavailable, then the alternative venue is up to a standard of four star NRMA rating;
- night before and after depending on the event and travel circumstance, such approval must be obtained in advance from the General Manager;
- Council to make the relevant accommodation booking.

- **Meals and Other Incidental Expenses**

Outlined in the establishment of monetary limits and standards provisions contained in this policy.

Local travel arrangements and expenses

Councillors will be entitled to be reimbursed for travel from their home whilst undertaking civic duties at the rate per kilometre as set out in the Notional Agreement Preserving the State Award, Local Government (State) Award 2004.

Adopted at Council Meeting held

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Civic duties are defined as:

- Council and Committee Meetings;
- Community Meetings approved by the Mayor or General Manager;
- Meetings with the staff approved by the General Manager; and
- Conferences, seminars, training courses, formal and social functions where representing Council, approved by the Council, Mayor or General Manager;
- Meeting with constituents in the course of discharging duties as Mayor and Councillor.

Where a Councillor must use a form of transport other than own vehicle for travel within the local government area, then such approval must be obtained in advance from the Mayor or General Manager.

Travel outside local government area including interstate travel

Councillors must obtain approval from Council for all travel outside of the Local Government Area, including interstate travel.

Councillors will be entitled to travel to official engagements at Council's expense by the most practical method, i.e. aircraft, Council vehicle or private vehicle.

Councillors when travelling by air will travel Economy Class or as determined by the General Manager.

All "Frequent Flyer" points accrued are to remain the property of Council.

A Councillor who travels in his/her own vehicle will be reimbursed at the appropriate per kilometre rate or airfare whichever is the lower.

Telephone costs and expenses

Councillors will be provided with a mobile telephone to assist in undertaking civic duties.

Council will meet the cost of providing the mobile telephone, maintenance, monthly service and access fees, and call charges up to a maximum of \$400 per month for the Mayor and \$200 per month for other Councillors made in the conduct of their civic duties.

Individual Councillors must meet the cost of all non- business calls and any additional Council calls above the limits.

Councillors will be provided with a fax machine to assist in undertaking civic duties. Council will meet the cost of providing the fax machine, maintenance and rental charges for one (1) home facsimile line, together with fax paper.

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Computer Facilities

Councillors will be provided with computer facilities to assist in undertaking civic duties.

Postage of Official Councillor Correspondence

Councillors will be reimbursed for official postage, provided expenses can be verified and where it is impractical to use the Council's own mail system.

Applications for reimbursement of postage expenses must contain verification information and be authorised by the General Manager

Internet

Council will meet the cost of Internet charges involved in the conduct of the Mayor and Councillors civic duties.

Care and other related expenses

Councillors are entitled to the reimbursement of carer expenses that were necessary to enable Councillors to undertake their civic duties.

The maximum entitlement for such expenses is \$2,000 per annum.

Insurance expenses and obligations

Councillors are to receive the benefit of insurance cover for:

- **Personal Injury**

Whilst on Council business, covering bodily injury caused by accidental, violent, external and visible means up to a sub-limit for death and capital limits as specified in the Councillors and Officers Liability Insurance Policy. Also covering permanent disablement, temporary total disability and temporary partial disability.

- **Professional Indemnity**

For matters arising out of Councillors' performance of civic duties or exercise of their functions as Councillors provided the performance or exercise of the relevant civic duty or function in the opinion of Council is bona fide and/or proper and is carried out in good faith, as required under 731 of the Local Government Act.

- **Public Liability**

For matters arising out of Councillors' performance of civic duties or exercise of their functions as Councillors, being carried out in good faith.

Legal expenses and obligations

Legal expenses for a Councillor may be either paid or reimbursed by the Council only if the matter is authorised by the Local Government Act 1993 either expressly or because it is supplemental or incidental to or consequential upon the exercise of its functions.

Adopted at Council Meeting held

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Council may therefore indemnify or reimburse the reasonable expenses of:

- a Councillor defending an action arising from the performance in good faith of a function under the Local Government Act (Section 731) ; or
- a Councillor 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 ; or
- a Councillor for proceedings before the Local Government Pecuniary Interest and Disciplinary Tribunal or investigative body and where the finding is substantially favourable to the Councillor.

Council will not indemnify or reimburse the legal expenses of Councillor arising merely from something that a Councillor has done during his or her term in office.

Council will not meet the costs of an action in defamation taken by a Councillor as a plaintiff in any circumstances.

Council will not meet the costs of a Councillor seeking advice in respect of possible defamation or in seeking a non-litigious remedy for possible defamation.

Additional Mayoral Expenses

Provision of a dedicated motor vehicle

A motor vehicle bearing no markings or identification will be provided for the sole use of the Mayor, in accordance with the Council's resolutions.

The conditions of the use of the vehicle by the Mayor are covered by:-

- Minute No.170 of the Council meeting of 19 July 1995:

"RESOLVED that the conditions for use in the provision of a motor vehicle to the Mayor be the same as that of the General Manager and Directors with a telephone to be installed."

and

- Minute No. 652 of the Council meeting of 20 December 2000:

"RESOLVED that Council maintains the current policy in relation to the use of the mayoral vehicle."

The motor vehicle is and shall remain the property of Council and shall be surrendered to Council by the Mayor in the event that the person is no longer the Mayor.

The Mayor is to be given unrestricted use of such vehicle with the Council servicing and maintaining such vehicle, paying registration and insurance (including full comprehensive cover) and providing fuel. Private use means that the Mayor and his/her spouse or other licensed driver (provided the Mayor or Mayor's spouse is in the car) or any other Council employee are allowed to drive the vehicle.

The type of vehicle that will be provided is to be at a standard in accordance with Council's Motor Vehicle Lease Policy.

The vehicle is to be replaced at the most economically beneficial time as determined by the Works Manager.

Other equipment, facilities and services

Other equipment, facilities and services that are to be provided by Council for the use of the Mayor are as follows:

- An experienced person suitably qualified to provide secretarial support to the Mayor.
- Mayoral letterhead, envelopes and stationery generally
- Where appropriate assistance with the organisation of functions, meetings and briefings to which the Mayor is invited to attend.
- A furnished office will be provided at the Council Administration Office, to enable the Mayor to undertake the civic duties appropriate to that position.
- Limited refreshments will be provided in the Mayoral Office for entertainment purposes.
- An allotted parking space will be provided at the Council Administration Offices for the parking of the Mayoral vehicle.

PART 3 PROVISIONS OF FACILITIES

GENERAL PROVISIONS

Provision of facilities generally

Council will provide facilities and equipment to each Councillor to ensure that they can undertake their civic duties in an appropriate manner. The facilities and equipment include:

Stationery

Provision of personalised Councillor letterhead and envelopes exclusively for Council related business

Adopted at Council Meeting held

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Business cards

Provision of 250 business cards (replacement on request)

Christmas cards

Maximum of 100 per year

Name badges

Councillors to be provided with a name badge

Filing cabinet

Councillors to be provided with a home filing cabinet if required.

Filing cabinet is to be returned if the person ceases to be a Councillor.

Meetings meals and refreshments

Provision of meals and refreshments associated with Council, committee and working party meetings where appropriate

Meeting rooms/ Councillor room

Provision of meeting room facilities, including telephone, computer network facilities and access to a photocopier in the Administration Centre for the purpose of Council, committee and working party meetings and for meeting with constituents.

Secretarial support

Provision of secretarial support, as necessary for Councillors to undertake their civic duties.

Private use of equipment and facilities

A Councillor must not use any of the facilities allocated by Council for their private use.

A Councillor may use their mobile telephone or facsimile machine for their private use however payment is to be made to Council for such use.

Any contravention of this policy will result in the matter being reviewed against the provisions of Council's Code of Conduct.

PART 4 OTHER MATTERS

Acquisition and returning of facilities and equipment by Councillors

Councillors are to return to Council, where appropriately practicable, after the completion of their term of office or entering extended leave of absence or at the cessation of their civic duties all facilities and equipment that have been allocated by Council.

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Should a Councillor desire to keep any equipment allocated by Council, then this policy enables the Councillor to make application to the General Manager to purchase any such equipment. The General Manager will determine an agreed fair market price or written down value for the item of equipment.

Status of the Policy

The provisions of the Councillors- Payment of Expenses and Provision of Facilities for Mayors and Councillors shall remain valid until revoked or amended by Council.

Adopted at Council Meeting held

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REPLACEMENT REPORT

THIS IS PAGE No 13 OF THE AGENDA OF THE TWEED SHIRE COUNCIL OPERATIONS COMMITTEE MEETING HELD TUESDAY 17 OCTOBER 2006

LEGAL/RESOURCE/FINANCIAL IMPLICATIONS:

Nil.

POLICY IMPLICATIONS:

A new policy, Councillors - Payment of Expenses and Provision of facilities for Mayors and Councillors to replace current policy, Tweed Shire Council – Councillors.

UNDER SEPARATE COVER/FURTHER INFORMATION:

*To view any "**non confidential**" attachments listed below, access the meetings link on Council's website www.tweed.nsw.gov.au or visit Council's offices at Tweed Heads or Murwillumbah (from Friday the week before the meeting) or Council's libraries (from Monday the week of the meeting).*

Nil.
