



EXPENSES & REIMBURSEMENT POLICY

1. INTRODUCTION

Council is committed to ensuring that Councillors are provided with the facilities required to enable them to perform their duties.

Councillors should not be financially disadvantaged when carrying out the requirements of the role of Councillor and should be fairly and reasonably compensated in accordance with statutory requirements and community expectations.

The payment and/or reimbursement of expenses and provision of facilities for Councillors:

- Is open and transparent, prudent, responsible, acceptable to the community and in accordance with statutory requirements;
- Based on ensuring economy and efficiency;
- Subject to budget provisions;
- Subject to the *section 4 of the Local Government Act 2009* principles –
 - a) Transparent and effective processes, and decision-making in the public interest;
 - b) Sustainable development and management of assets and infrastructure, and delivery of effective services;
 - c) Democratic representation, social inclusion and meaningful community engagement;
 - d) Good governance of, and by, local government; and
 - e) Ethical and legal behavior of Councillors and local government employees; and

2. POLICY OBJECTIVES/PURPOSE

The purpose of this policy is to:

- Ensure compliance with community expectations and statutory requirements relating to the payment or reimbursement of legitimate expenses and provision of facilities for Councillors while carrying out their duties and responsibilities as elected representatives of McKinlay Shire Council; and
- Ensure that all Councillors have the facilities and other support necessary to perform their civic duties.

3. SCOPE

This policy provides for:

- Payment of expenses incurred, or to be incurred, by the Councillors in the course of discharging their duties as Councillors; and
- The provision of facilities to the Councillors for that purpose.

This policy applies to all Councillors of McKinlay Shire Council.

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This policy does not provide for Councillor remuneration. Councillor remuneration is determined annually by the Local Government Remuneration Commission.

4. STATEMENT OF PRINCIPLES

Council has formulated this policy in line with the following core principles and the provisions of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Key Principles

1. The use of public money in the public interest by responsible budgeting and accounting.
2. Fair and reasonable allocation of Council resources (allowances, facilities and other benefits) to enable Councillors to conduct the duties of their office.
3. Transparent decision making by public disclosure of policy resolutions; and
4. Accountability for expenditure and use of facilities through full justification and acquittal.

Councillors should not receive a private benefit through their role as a Councillor and as such this policy provides for actual reimbursement of legitimate expenses and full disclosure through appropriate accountability requirements.

5. PAYMENT OF EXPENSES

All expenses will be paid to a Councillor through the administrative processes of Council's payment system and subject to:

- the limits outlined in this policy
- ensuring that payments have been authorised by an approved officer as per the administrative procedures for payments
- all claims for reimbursement are to have receipts attached to the approved claim form and be signed by the Councillor.

All claims for reimbursement shall be included on the Councillors monthly Reimbursement claim form.

5.1 Expense Categories

Mileage Allowance

Councillor's private vehicle usage will be reimbursed at the Australian Taxation Office rate (cents per kilometer) where a Councillor's private vehicle is used for Council business or commuting to official Council meetings/functions from their place of residence. The kilometres claimed is to be on the approved claim form signed by the Councillor.

Mileage Allowance rate be set at the ATO rate "Rates per business kilometre" and increased accordingly.

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Professional Development

Council encourages Councillors to undertake relevant professional development and will reimburse expenses incurred for:

- Mandatory professional development, and
- Discretionary professional development deemed essential for the Councillor's role.

Mandatory Professional Development

Council will reimburse expenses for attendance and will pay for or reimburse Councillors for all associated reasonable costs (including registration, travel, accommodation, meals etc) at the following subject to attendance being approved by Council:

- Training courses or workshops for skill development related to a Councillors role or portfolio;
- Training courses or workshops relating to their legislative obligations i.e. Councillor induction, Code of Conduct.
- Regional, State or National Local Government associated conferences, symposiums, workshops and training courses.

Note: Registrations should be made in sufficient time to take advantage of any 'early bird' discounts.

Discretionary Professional Development

Where a Councillor identifies the need to attend a conference, workshop or training to improve skills relevant to their role as a Councillor, other than mandatory professional development as above, the Councillor may request Council's approval to attend.

Travel Costs

Council will reimburse travel expenses deemed reasonable and necessary to achieve the business of Council where:

- A Councillor is an official representative of Council and
- The activity/event and travel have been endorsed by resolution of Council

Councillors are required to travel the most direct route, using the most economical and efficient mode of transport.

All Councillor travel approved by Council will be booked and paid for by Council where possible.

Economy class is to be used where possible.

Airline tickets are not transferable and can only be procured for the Councillor's travel on Council Business. They cannot be used to offset other unapproved expenses. (e.g. cost of partner or spouse accompanying Councillor)

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Any travel transfer expenses associated with Councillors travelling for council approved business will be reimbursed in line with "Payment of Expenses".

Council shall permit Councillors and employees to link their personal frequent flyer program (which the individual is financially responsible for) to flights arranged by Council for work or official Council business. The benefit provided to the individual is considered not to be material and is an acknowledgement that the majority of travel is undertaken outside normal business hours.

Something that outlines, if an employee or councillor has a frequent flyer program they are paying for, but council pays the flights, the person gets the points

Council will reimburse parking costs incurred by Councillors while attending to official Council business.

Any fines incurred while travelling in Council owned vehicles or privately owned vehicles when attending to Council business, will be the responsibility of the Councillor incurring the fine.

Accommodation

All Councillor accommodation for Council business will be booked and paid for by Council where possible. Council will pay for the most economical deal where available. The minimum standards for Councillor accommodation will be three star rating.

Where particular accommodation is recommended by conference organisers, Council will take advantage of the package deal that is most economical and convenient to the event.

Meals

Council will reimburse costs of meals for a Councillor when:

- the Councillor incurs the cost personally; and
- the meal was not provided:
 - within the registration costs of the approved activity/event
 - during an approved flight
- a copy of a Tax Invoice is provided

Council reimbursement for meal expenses shall be interpreted as reasonable expenses incurred for the purchase of breakfast, lunch, and dinner where these are not provided at the event and must be within the *Australian Taxation Office Guidelines for Reasonable Allowances* set for each income tax year.

Hospitality Expenses

The Mayor and Councillors may have occasion to incur hospitality expenses while conducting official council business. Hospitality expenses incurred will typically take the form of meals and beverages. The maximum amount of hospitality expenses that may be reimbursed is:

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- Mayor- \$4,000 per annum
- Councillor-\$500 per annum

This will be reimbursed according to earlier clause “Payment of Expenses”

Hospitality and entertainment expenses shall be in accordance with Council’s Entertainment and Hospitality Expenditure Policy.

6. PROVISION OF FACILITIES

All facilities provided to Councillors remain the property of Council and must be returned to Council when a Councillor’s term expires.

Administrative Tools and Access to Council Office

The following facilities will be provided to Councillors:

1. Provision of Mayoral office space for Mayor.
2. Councillors use of Council Boardroom and Council office space when required and where available. Meeting rooms will be required to be booked in advance with Council reception.
3. Access to Council Office equipment such as photocopier, printers, computers, facsimile machine and telephones for the purpose of Council business where available.
4. Council will provide all Councillors with Corporate business cards.

Secretarial Support

The Mayor’s office will be assisted by Council’s Executive Assistant. Assistance provided will be secretarial support. Limited secretarial support will be provided to Councillors by the Executive Assistant.

Home Office

Council will supply the Mayor with such home office equipment as necessary to assist with the role. This may include fax machine, laptop, tablet and printer.

Council will be responsible for the ongoing maintenance and reasonable wear and tear costs of Council-owned equipment that is supplied for official business use.

Vehicle

Councillors will have access to an allocated Council vehicle which will be available for official Council business within Queensland. All maintenance of the vehicle will be the responsibility of Council.

Fuel Costs

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Fuel for a Council owned vehicle used for Official Council Business will be provided or paid for by Council

Telecommunication

Council approves the provision of necessary telecommunication equipment to be supplied to the Mayor for the purpose of conducting Council Business. Such equipment may include mobile telephone, fax, tablet, computer, wireless internet and land line. Council will be responsible for all associated costs.

Where Council deems necessary and appropriate reimbursement may occur for expenses of phone, internet and email for Councillor's. This reimbursement will be based on "Payment of Expenses" and must be approved by Council resolution.

Insurance

Council will indemnify and insure Councillors in the event of injury sustained while discharging their civic duties.

Council will pay the excess for injury claims made by a Councillor resulting from conducting official business

7. REPORTING

The *Local Government Regulation 2012* legislates that Council must maintain a policy providing for payment of reasonable expenses incurred, or to be incurred, by Councillors for discharging their duties and responsibilities as Councillors and provision of facilities to the Councillors for that purpose.

The *Local Government Regulation 2012* legislates that Council must in its Annual Report detail the expenses incurred by, and the facilities provided to each Councillor during the year under the local government's expenses reimbursement policy.

8. RELATED LEGISLATION

Local Government Act 2009

Local Government Regulation 2012

9. RELATED DOCUMENTS

Entertainment and Hospitality Policy

10. DEFINITIONS

Council Business

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This is the official business conducted on behalf of, and approved by, Council where a Councillor is required to undertake certain tasks to satisfy legislative requirements or archive business continuity for the Council

Entertainment and hospitality

Section 196 of the Local Government Regulation 2012 provides:

Examples of entertainment or hospitality—

- entertaining members of the public in order to promote a local government project providing food or beverages to a person who is visiting the local government in an official capacity
 - providing food or beverages for a conference, course, meeting, seminar, workshop or another forum that is held by the local government for its councillors, local government employees or other persons
 - paying for a councillor or local government employee to attend a function as part of the councillor's or employee's official duties or obligations as a councillor or local government employee
- (2) A local government may spend money on entertainment or hospitality only in a way that is consistent with its entertainment and hospitality policy.

Expense

Expenses are payments made by Councils to reimburse Councillors for their reasonable expenses incurred or to be incurred when discharging their duties. *These payments are not regarded as remuneration.* The expenses may be either reimbursed by Council or paid direct by Council for something that is deemed a necessary cost or charge when performing their roles.

Facility

Facilities provided by Council to Councillors are the "tool of trade" required to enable them to perform their duties with relative ease and at a standard appropriate to fulfill their professional role for the community.

Reasonable

Council must make sound judgments 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 of public funds.