



POLICY

C003 Councillor Expense Entitlements Policy

1 Purpose

The purpose of this policy is to define the parameters for the reimbursement of necessary out of pocket expenses incurred while performing duties as a Councillor or a Delegated Committee member as provided by section 41 of the *Local Government Act 2020*.

This policy supports Councillors and members of Delegated Committees and the Audit and Risk Committee to perform their role, as defined under the *Local Government Act 2020*, by ensuring that expenses reasonably incurred in the performance of their role are reimbursed.

The Act provides that a Council must adopt and maintain an expenses policy in relation to the reimbursement of out-of-pocket expenses for Councillors and members of delegated committees.

A policy adopted under Section 41 of the Act must:

- specify the procedures to be followed in applying for reimbursement and in reimbursing expenses;
- comply with any requirements prescribed by the regulations in relation to the reimbursement of expenses; and
- provide for the reimbursement of childcare costs where the provision of childcare is reasonably required for a Councillor or a member of a delegated committee to perform their role; and
- have particular regard to expenses incurred by a Councillor who is a carer in a care relationship within the meaning of Section 4 of the *Carer's Recognition Act 2012*.

2 Scope

This policy applies to all Councillors including the Mayor and all Delegated Committee Members and members of the Audit and Risk Committee, when undertaking duties and activities that are part of their role.

3 Definitions

Act means *Local Government Act 2020*

Delegated Committee Member	means a member of a delegated committee established under section 63 of the Act.
CEO	means the Chief Executive Officer of Hindmarsh Shire Council
Council	means Hindmarsh Shire Council

4 Context

4.1 Councillor Allowances

- Councillor allowances are paid in accordance with the Act.
- Council allowances will be withheld until mandatory training is completed by a Councillor and written, dated and signed declaration made before the CEO.
- Council must review Councillor allowances within 6 months of a council election.
- Mayoral and Councillor allowances are subject to the addition of the equivalent of the superannuation guarantee.
- Councillors are deemed not to be an employee under common law.

4.2 Council Expenses

Councillors and members of Delegated Committees are entitled, under section 40 of the Act, to reimbursement of expenses reasonably incurred in the performance of their duties.

This policy ensures that the reimbursement of these expenses is in accordance with the Act and meets the Act's principles of public transparency; achieving the best outcomes for the municipal community; and ensuring the ongoing financial viability of the Council.

Section 40 of the Act provides that a Council must reimburse a Councillor or a member of a delegated committee for out-of-pocket expenses which the Council is satisfied:

- are bona fide expenses;
- have been reasonably incurred in the performance of the role of Councillor or member of a delegated committee;
- are reasonably necessary for the Councillor or member of a delegated committee to perform that role.

Details of all expenses reimbursed under section 40 of the Act must be provided to the Audit and Risk Committee.

5 Travel

5.1 Mayor's Vehicle

A fully maintained vehicle will be provided to assist the Mayor in carrying out their duties and for private use during the Mayoral term.

The vehicle is to be operated and maintained in line with Council's Motor Vehicle Policy, as determined by the CEO from time to time.

5.2 Travelling Expenses

Where practical, Councillors are to use a Council pool car for travel involved in performing their duties. Councillors are encouraged to travel together or with Council Officers to reduce costs and environmental impact of vehicle use.

Upon completion and forwarding of a Travel Claim Form to the CEO for approval, travel expenses will be paid to Councillors and members of Delegated Committees for out-of-pocket expenses related to travel to and from—

- Council meetings and Committee meetings;
- Formal briefing sessions and civic or ceremonial functions convened by Council or the Mayor;
- Meetings of an external body to which a Councillor has been appointed on behalf of Council;
- Meeting attended by a Councillor on the Mayor's behalf, as requested;
- Other meetings or functions, as approved by resolution of Council;
- Other meetings, functions or events as determined by the CEO, that Councillors are required to attend and may claim expenses.

Reimbursement will be paid on a per kilometre rate set in accordance with the Australian Tax Office cents per kilometre method. Councillors cannot claim a personal tax refund for kilometers travelled where Council has reimbursed for those kilometers.

Travel claim forms should contain the odometer at start and odometer at end of each claim for travel, and clearly state the purpose of travel. Councillors will be required to complete a log book and Council staff may at random verify the odometer on the travel claim form against the log book.

All drivers of Council vehicles must comply with the conditions of use specified in the Motor Vehicle Use Policy, as determined by the CEO from time to time.

5.3 Remote Area Travel Allowance

Where a Councillor normally resides more than 50 kilometres by the shortest possible practicable road distance from the location or locations specified for the conduct of ordinary, special or committee meetings or community functions, which have been authorised by Council resolution for the Councillor to attend, they are entitled to be paid an allowance in accordance with the rates set by the Victorian Independent Remuneration Tribunal.

5.4 Interstate and International Travel

All international and interstate travel by Councillors performing official duties must be in accordance with the Council Plan and approved by a resolution of Council, except for travel required as part of a Councillor's duties when appointed as a delegate to the following groups:

- National General Assembly of Local Government

Air travel will be economy class with bookings and payments made by Council. In appropriate circumstances, charter flights may be approved by the CEO.

In line with Council's Public Transparency Policy, Council will maintain a register of travel undertaken by Councillors or Council Staff for public inspection of details and costs relating to all overseas and interstate travel (with the exception of travel by land for less than three days) and present such reports to the Audit and Risk Committee.

5.5 Partner Travel

The costs of a partner accompanying a Councillor on a Council business trip must be borne by a Councillor unless there is a bona fide business purpose or necessity for the presence of their partner.

Where a partner is travelling for bona fide business purposes or from necessity, the reasonable costs associated with travel, accommodation, incidentals for the partner must be approved in writing by the CEO prior to departure.

This will not apply to Delegated Committee Members.

5.6 Car Parking / Public Transport / Taxi Charges

Council will reimburse the costs of car parking, public transport and taxi charges incurred while conducting Council business based on original receipts and relevant details regarding the purpose, date and time of the meeting or function. Travel passes (such as Myki) may be provided to Councillors at the discretion of the CEO.

6 Conferences, Seminars and Personal Development

Councillors are encouraged to attend conferences and seminars relevant to their role, to enhance their personal skills and knowledge. Where a Councillor has identified a training or personal development opportunity or seminar that they wish to attend, the following provisions apply.

6.1 Approval

Councillors must obtain approval from the CEO (under \$1,500) or Council (over \$1,500) to attend a conference or seminar where expenses are likely to be claimed or to use Council pool vehicles to/from conferences or seminars.

Councillors must obtain approval from the CEO (under \$1,500) or Council (over \$1,500) of any proposed expenditure of training funds, and provide details of the proposed course, estimate of costs and purpose of attendance.

6.2 Expenses

Where attendance at a conference or seminar is approved, Councillors shall have all reasonable expenses for travelling, transport, accommodation, registration fees, meals, and out of pocket expenses relating to the conference or seminar reimbursed or paid on their behalf, excluding alcohol (except where alcohol is provided as part of the conference/official dinner or meeting). Upon completing and forwarding a Creditor Voucher to the CEO, as well as all relevant receipts,

reimbursement will be paid to Councillors for out-of-pocket expenses related to conferences and seminars.

6.3 Types of Training

Training requirements are to be met in accordance with the *Local Government Amendment (Governance and Integrity) Act 2024*. As part of the annual budget process an amount will be allocated for attendance of Councillors at mandatory training as well as allowing for participation in some discretionary personal development training. Training expenditure will be reported in budget and annual reports.

All Councillors must complete professional development training each year of their term. The allocated funds may be expended by Councillors on—

- seminars or conferences;
- undergraduate and post graduate studies;
- short courses;
- study tours;

provided these relate to local government activity, leadership, or governance in the context of the role of Councillor, or enhance the personal skills of the individual to undertake the role of Councillor (e.g. IT skills).

Mayoral training must be completed by Mayor, Deputy Mayor and Acting Mayor (if appointed for one month or more) within one month of being elected to the role. Items include roles and responsibilities, chairing of meetings, engagement and advocacy, and leadership.

Councillor induction training must be completed by all Councillors, irrespective of experience, and includes those elected to fill an extraordinary vacancy. This must be completed within four months of taking the oath or affirmation of office. Councillors unable to complete mandatory training due to a leave of absence must complete the training within one month of returning from leave. Matters that must be covered include

- working together in a Council
- decision making, integrity and accountability
- community representation
- strategic planning and financial management
- conduct
- land use planning

Training programs that are considered essential for performing the tasks of Councillor will be fully funded by Council. Programs only partly relevant to the position of Councillor may be jointly funded.

Where a Councillor forecasts expenditure beyond the allowance provided by the annual budget process, additional funds may be provided by resolution of Council, with the understanding that the total budget allocated to Councillor training, seminars and conferences should be available equitably to all Councillors.

6.4 Administrative Matters

Tax invoices and receipts must be provided with the Creditor Voucher in all instances.

Councillors who attend funded training will prepare reports on areas of major learning when requested to do so by Council.

6.5 Delegated Committee Members

Delegated Committee members wanting to attend conferences, seminars or training will require relevant Committee approval and expenses will be paid from the budget allocated to the Delegated Committee.

Interstate and overseas travel or conferences, seminars or training for Delegated Committee members exceeding \$2,000 will require Council approval.

7 Civic support, Facilities and Equipment

7.1 Communications Equipment

Councillors will be provided with appropriate communications equipment to ensure that they can adequately and efficiently perform their role as a Councillor. This may include—

- Mobile phone (smartphone with email and calendar);
- Tablet device (e.g. iPad) with 4G capability;
- Access to a copier/printer;
- Home internet connection where 4G is unavailable;
- Other equipment as determined by Council resolution or by the CEO.

Where a Councillor wishes to retain their personal mobile phone for Council use (instead of being provided a Council phone), Council will reimburse up to \$50 per month to cover the costs of telephone and data usage. If retaining a personal mobile phone, Councillors must make their personal mobile number available for publication. No reimbursement for personal mobile phones will be made during Election Periods.

Where a Councillor wishes to retain their personal home internet connection (instead of being provided with an internet connection by Council), Council will reimburse up to \$60 per month to cover the costs of Council related usage. No reimbursement for personal internet services will be made during Election Periods.

The make, model and specifications of any communications equipment, the associated contracts or plans and the replacement of any communications equipment allocated to Councillors will be at the discretion of the CEO.

Council will meet the purchase, installation, maintenance and service, connection and disconnection, subscription, rental and usage costs for all Council provided communications equipment.

The equipment will remain the property of Council and must be returned at the end of a Councillor's term of office. The equipment must be kept in a secure place and away from any area

where the build-up of dust, smoke, grease or other harmful materials is likely. Maintenance of the equipment will be carried out by a person approved by the CEO and be paid for by the Council.

Council provided communications equipment is to be used for Council-related business activities, however it is acknowledged that on occasion there may be limited personal use of communications equipment. Councillors are required to reimburse Council for the cost of their personal use of the equipment.

This will not apply to Delegated Committee Members.

7.2 Stationery

Councillors may access and use standard stationery held or obtained generally for Council's requirements.

The stationery includes items such as business cards, pens, diaries, notepads, paper, and envelopes.

7.3 Office Space

Council will provide a suitably furnished and equipped office, in an appropriate location, for use by the Mayor.

7.4 Administrative support

Reasonable administrative support for work directly relating to the duties of the office of Mayor will be provided in accordance with the Councillor Interaction with Staff Policy.

This will not apply to Delegated Committee Members.

7.5 Credit Card

If a Councillor or the Mayor is issued with a credit card, the credit card is to be used strictly in accordance with any relevant Council Policy and Procedure as adopted from time to time.

7.6 Meals/Refreshments

At the discretion of the CEO, Council will provide meals or refreshments, which may include the limited serving of alcohol, in conjunction with meetings and events that are Council business.

7.7 Insurance

Councillors are covered by the following Council insurance policies while discharging their duties—

- a) Public and Product Liability/Professional Indemnity;
- b) Personal Accident - Corporate Travel;
- c) Councillors and Officers Liability Insurance (Statutory Liability is incorporated into this policy);
- d) WorkCover Insurance; and

e) Motor Vehicle Insurance.

All policies have limitations, and most policies require parties covered to act honestly, act in good faith and not act recklessly. Insurance policies generally have requirements for early notification to the insurer of potential claims, the right for the insurer to take over the handling of the matter and appoint lawyers and settle the matter and a requirement for full and frank disclosure of all relevant material.

Council will pay any applicable policy excess in respect of claims made against a Councillor arising from Council business where any claim is accepted by Council Insurers.

7.8 Legal costs

Council will only meet legal expenses incurred as a result of a Councillor, member of a Delegated Committee or a Community Asset Committee performing official duties in accordance with s43 of the *Local Government Act 2020*.

If a Councillor requires legal advice in connection with his or her functions as a Councillor, Council may facilitate and fund such legal advice by resolution. Council will evaluate any request of a Councillor for legal advice 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
- c) The extent to which the subject matter of the required advice will or is likely to be of interest to all Councillors
- d) The public interest
- e) Any other relevant considerations

If the Councillor's need for legal advice cannot be deferred until consideration by Council, the CEO may facilitate such legal advice and confirm that Council will meet expenses, after taking into consideration the same criteria used by Council, above.

In the event that legal advice relates to a writ, action or pending action against Council or Councillors, the Councillors must provide a copy of the writ or action or provide information which may lead to action to the CEO, who will advise Council's insurers as soon as possible, in accordance with Council's insurance policy conditions.

8 Dependent Care Expenses

When attending to legitimate Council business, Councillors may be reimbursed for necessary dependent care incurred for child care/family care or where the Councillor is a carer in a care relationship within the meaning of the *Carers Recognition Act 2012*.

Reasonable care expenses may comprise hourly fees, agency booking fees and/or reasonable travelling expenses and will only be reimbursed when paid to—

- a) a recognised dependent care provider;
- b) a person who does not:

- i. have a familial or like relationship with the Councillor or committee member;
- ii. reside either permanently or temporarily with the Councillor or committee member;
- iii. have a relationship with the Councillor or their partner such that it would be inappropriate for Council to reimburse monies paid to the care provider;

when the care is necessary to allow attendance at—

- a) Council meetings and Council business relating to Council meetings;
- b) Council functions;
- c) Meetings arising as a result of the Councillor being appointed by the Council to a committee or external body;
- d) Other Council business as approved by the CEO.

9 Support for a Councillor with a Disability

Council will provide reasonable additional support, facilities, and equipment for any Councillor with a disability to enable that Councillor to perform the duties of a Councillor.

Where reimbursement is claimed for the purchase of an assistive device, that device shall become the property of Council. Claims for reimbursement for assistive devices or assistive personnel will only be considered where the use of the device or the assistance required, relates specifically to the performance of a Councillor's duties.

10 Exclusions

Any expenses arising from a breach of road, traffic, parking or other regulations or laws including Council Local Laws, will not be reimbursed or funded in any way by Council.

11 Delegated Committee Members

This policy will apply to Delegated Committee Members in the same way as Councillors unless expressed otherwise.

12 Submission of claims

All claims are to be submitted on the Travel Claim Form or Creditor Voucher (as applicable). All claims should be accompanied by fully accredited receipts/tax invoices for any expenses claimed. If receipts cannot be produced, Councillors may be required to provide a statutory declaration.

All claims must include sufficient detail to demonstrate that, in accordance with the Act, the expense for which the reimbursement is claimed is a reasonable bona fide out-of-pocket expense incurred while performing the duties of a Councillor.

All claims for allowances or reimbursements including travelling should be made monthly. This is to ensure transparency and accountability. It is the responsibility of the Councillor to make timely claims. Claims not made within 6 months of incurring the expense will not be reimbursed.

13 Administrative Updates

It is recognised that from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a Federal or State Government department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be by resolution of Council.

14 Communication

This Policy will be placed on Council’s website and will be made available to Councillors via SharePoint. This policy will be circulated via email to all Delegated Committees Members.

15 Responsibility

Policy Owner: Director Corporate and Community Services

16 Supporting Documents

Internal Documents	Legislation/Other
Motor Vehicle Use Policy Travel Claims Form Creditor Voucher	<i>Local Government Act 2020</i> <i>Carers Recognition Act 2012</i>

17 Document control

Councillor Expense Entitlements Policy		Policy Category	COUNCIL
Version Number	1.7	Policy Status	Adopted
Approved/Adopted By	COUNCIL	Approved/Adopted on:	5 March 2025
Responsible Officer	DCCS	Review Date:	5 March 2027
Version History	Date	Version	Description
	November 2009	1.0	New Policy
	6 December 2017	1.1	Update of policy
	15 July 2019	1.2	Update of policy
	19 August 2020	1.3	Update of policy – <i>Local Government Act 2020</i>
	29 May 2024	1.4	Draft presented to Audit and Risk Committee
	26 June 2024	1.5	Draft presented to Council
	24 July 2024	1.6	Adopted by Council
	5 March 2025	1.7	Updated according to legislative changes.