Councillor Expenses and Reimbursement Policy

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<td>Performance</td>
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1. Background
This policy is a requirement of Section 75B (1) of the Local Government Act 1989 ('the Act'). It is designed to provide clear guidance in relation to the support that is provided to Councillors in the performance of their duties, including the reimbursement of eligible expenses.

2. Purpose
Council is committed to ensuring that all Councillors are provided with the necessary resources to enable them to perform their duties as required.

The purpose of the policy is to provide transparency for the support that is provided to Councillors and to ensure that the decisions that are made under the policy minimise costs, maximise value for the ratepayers and are environmentally sustainable for Moonee Valley City Council (Council).

3. Scope
This policy applies to all Councillors unless otherwise specified.

4. Definitions
For the purposes of this policy:

**Appropriate documentation** means an original tax invoice clearly identifying the expenditure incurred, and including an official receipt for payment received.

The financial details of the transaction to be provided on the tax invoice should include:

a) name of the supplier and their ABN
b) description of the product or service provided
c) date that the service or goods were received
d) total amount paid, inclusive of GST (if applicable)
e) date the payment was made to the supplier

In the event of lost or misplaced documentation, a Statutory Declaration that includes the specific details of the financial transaction (per above), and available supporting evidence (e.g., copy of bank statement) will be considered appropriate documentation.

**Bona fide out-of-pocket expenses** means a reasonable expense incurred by a Councillor to perform their Duties as a Councillor, such as:

a) Childcare and care of frail aged and/or disabled individuals who reside in the Councillor’s household for whom the Councillor is the primary carer. Carer expenses will be paid in respect of a recognised attendant care provider, but is not payable to a family member of the Councillor
b) Transport costs incurred within and outside the municipality such as:
   i. reimbursement for authorised use of private vehicle while conducting Council business outside the municipality (a per kilometre allowance applies)
   ii. car parking fees
   iii. toll fees
iv. public transport fees - train, tram or bus fees

c) Where practicable, the most cost-effective form of transportation must be used
d) Reasonable entertainment expenses such as snacks, meals or attendance at any event not
included in the approved program for the conference or other event that is being attended. It does
not include consumption of alcohol, use of a mini-bar or any other unnecessary personal
expenditure
e) Other expenses, where it can be substantiated they are bona fide Council business expenses

Non bona fide expenses will be paid for by the Councillor who incurred the expense.

Councillors: The role of councillors is set out in the Act. There are several key elements to the role of
a councillor including participating in high level decision-making, setting the strategic direction of
the council and representing the local community.
The role of a councillor does not include those functions performed by the Chief Executive Officer (CEO)
With respect to this policy, the term ‘Councillors’ includes the Mayor, however the term ‘Mayor’ does
not represent a Councillor unless specified.

Councillor Support means staff appointed by the CEO to provide administrative and secretarial
support to the Mayor and Councillors.

Duties as a Councillor means duties performed by a Councillor that are necessary or appropriate for
the purposes of achieving the objectives of a Council having regard to any relevant Act, regulations,
Ministerial guidelines or Council policies as defined in Section 75(2) of the Act.

The following information is also presented, in support of this definition:
a) Council business should result in a benefit being achieved either for the Council, the Moonee Valley
community or the local government regional area
b) Participating in a community group, club event or being a representative on a board not associated
with Council are not regarded as Council business

Mayor: The mayor is the leader of the Council and is elected by fellow councillors for a one-year term.
Mayors may be re-elected at the discretion of the Council.

Entertainment means snacks, meals or the provision of any service or attendance not included in the
approved program for the conference or event attended but incurred as a reasonable consequence of
attendance at the event. Entertainment received without charge should be declared in accordance with
the Gifts Policy.

Family member means:
a) spouse or domestic partner of the person
b) son, daughter, mother, father, brother or sister that regularly resides with the person

Personal Expense means the provision or acquisition of any service or goods for individual use but
does not include entertainment expenses.

Reasonable Expense means the incurred cost does not exceed the amount an average ratepayer
expects Council to pay for Councillors to perform their Duties as a Councillor.

Councillor Term All Councillors are elected for a four-year term.

5. Responsibility

The Manager Governance and Communications is responsible for the administration of this policy.
6. Legislation

This policy is a legislative requirement of Sections 75 and 75C of the Act.

Section 75 of the Act provides that a Council must reimburse Councillors for reasonable bona fide out-of-pocket expenses as described in the Act incurred while performing duties as a Councillor.

Section 75C requires that a Council must make resources and facilities available for the Mayor and the Councillors.

7. Guideline

7.1. General

The following items underpin this policy:

7.1.1. Administration and resolution of issues under this policy will reflect the highest standards of integrity and be undertaken in a manner that builds trust in Councillors, Council and in the system of local government in Victoria.

7.1.2. Councillors are entitled to be reimbursed for expenses associated with activities that fall into the category of Duties as a Councillor under section 75 of the Act. Other expenses incurred will be met from their Councillor allowances or personal contribution.

7.1.3. Councillors are not to gain personal benefit from expenses that are reimbursed and paid by ratepayers.

7.1.4. To assist in implementation of this policy, Councillors will take all possible steps to clearly distinguish those activities that might reasonably be described as Duties as a Councillor from their personal and political activities. This includes flight and accommodation arrangements when attending training, conferences and seminars.

7.1.5. Councillors will seek to make use of Council’s administrative systems rather than incur personal expenditure whilst performing their Duties as a Councillor.

7.1.6. Councillors will be responsible for ensuring that where services are paid directly by Council, e.g., mobile phone, data charges, Cabcharge, etc., that they identify and reimburse Council for any and all non-Council related, i.e., private expenditure, as soon as practicable but no later than 60 days after the expense had been incurred.

7.1.7. Councillors who incur traffic or parking fines while traveling to or attending an event under the definition of Duties as a Councillor will bear that personal cost and cannot seek reimbursement.

7.1.8. Persons accompanying a Councillor at any event will be required to meet their own travel and other expenses. Only pre-approved travel and related expenses will be reimbursed for accompanying persons. Approval must be obtained in writing from Council, prior to the expense being incurred.

7.2. Communications

7.2.1. On commencement of their term as Councillor, all Councillors will be provided with:
   - a mobile phone
   - a tablet computer (iPAd or similar)
   - a printer

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If the Councillor should break or lose the equipment provided for a second and subsequent time, the Councillor will be required to pay for its replacement.

7.2.2. All Councillors will also receive a monthly data plan that can be used to connect them to the internet from both their mobile phone and tablet.

7.2.3. All Council meeting agendas and minutes will be delivered to Councillors in electronic format via their tablet computers. In keeping with Council’s commitment to environmental sustainability, no hard copies will be provided with the onus to print being on the Councillor using the printer provided.

7.2.4. At the end of a Councillor’s term or when they no longer perform Duties as a Councillor on a permanent basis:

- all communication and printing equipment is to be returned to the Council
- Councillors may be provided with the opportunity to purchase communication and printing equipment at the end of their term of office. Such purchases will only be executed after the equipment has first been returned to Council to ensure the removal of all corporate information

7.3. Stationery

7.3.1. Council will provide Councillors with standard stationery including:

- Formal and corporate name badge
- Business cards
- Diary/planner
- Envelopes and writing implements
- A4 paper for printing
- Toner

7.3.2. Requests for stationery should be made to Councillor Support. Any non-standard stationery items will require approval from the Manager Governance and Communications.

7.3.3. Official letterhead will not be provided to Councillors. Letterhead is only for the use of Council officers or the Mayor representing Council.

7.4. Meals and Refreshments

7.4.1. Where Council or Committee meetings are held at times which extend through normal meal times, Council will provide suitable meals and refreshments served on the premises.

7.5. Entertainment

7.5.1. Councillors are encouraged to actively support their respective local government cultural/performing centres, local theatre and arts centres. Therefore, Councillors are entitled to receive two, non-transferable, complimentary tickets to any theatre performance conducted at the Clocktower Centre or other Council operated facility. Request for tickets must be directed via the Clocktower Centre’s Box Office or other Council operated facility. In the interests of transparency the cost of the tickets (at the publicly advertised price) will be charged by Council to Councillor Support and be treated as a reportable Councillor expense.

7.6. Transportation

7.6.1. All Councillors will be provided with a parking permit for use while they perform their Duties as a Councillor within applicable permit zones within the municipality. The parking permit is for the sole use of the Councillor and is not transferable.
7.6.2. Councillors are encouraged to use public transport to attend events where possible. When this is not practical, Councillors should select the next most cost-effective option.

7.6.3. All Councillors will be provided with access to Myki tickets and Cabcharge vouchers as required.

7.6.4. Prior approval of the CEO is required for use of a hire car.

7.6.5. All Councillors (apart from the Mayor who has access to a Mayoral Vehicle) are entitled to seek reimbursement for kilometres travelled when using their personal vehicle to attend events to perform their Duties as a Councillor outside of the municipality. The amount of reimbursement to be paid will be calculated according to the rate prescribed by the Australian Taxation Office at the time of travel.\(^1\) Refer to Council’s Management Policy “Private Motor Vehicle for Business Purposes Policy” for conditions of use.

7.7. Mayoral Vehicle

7.7.1. The Mayor will have three options relating to the Mayoral vehicle;

a) Use their own vehicle for their duties as the Mayor and be reimbursed for bona fide expenses on monthly basis

b) Be provided with a monthly motor vehicle allowance of $150.00 to perform their duties as the Mayor

c) A fully maintained eco-friendly vehicle (including all associated costs such as servicing, fuel and insurance)

7.7.2. If Option C is chosen, the cost of the vehicle will not exceed the cost of any vehicle on the current ‘List of approved vehicles for executive salary packaging’ as published by the Victorian Department of Treasury and Finance from time-to-time. The vehicle remains the property of Council.

7.7.3. The mayoral vehicle must be returned to the CEO or delegate, at least 48 hours prior to the conclusion of the Mayoral term, so that it can be serviced, cleaned and detailed in time for the commencement of the incoming Mayor.

7.7.4. Wherever possible, the Mayoral vehicle should be used in preference to other less cost-effective forms of transportation, such as Cabcharge.

7.8. Mayoral Office

7.8.1. The Mayor is to be provided with office accommodation at the Civic Centre.

7.9. Councillors with Disabilities

7.9.1. Council will provide reasonable additional facilities and support for any Councillor with a disability to allow that Councillor to perform their Duties as a Councillor.

7.10. Health and well-being

7.10.1. In line with the organisation’s commitment to supporting the health and well-being of all personnel, Councillors may make use of Council’s appointed confidential professional counselling service, to help resolve both personal and Council-related problems that may impact on their capacity to undertake their role as a Councillor.

\(^1\) At the date of preparation of this policy, the applicable rate was 68 cents per kilometre for all cars.
7.11. Insurance

7.11.1. Council will maintain insurance policies necessary to indemnify Councillors whilst engaged in activities connected with or on behalf of the Council, including:

- Personal Accident and Corporate Travel Insurance
- Public Liability and Professional Indemnity Insurance
- Councillors and Officers Liability
- Motor Vehicle Insurance – Council will reimburse Councillor’s their excess and the cost below an excess which cannot be recovered that their motor insurer would otherwise insure if they have an accident when on Council business. (Refer to Council’s Management ‘Private Motor Vehicle for Business Purposes Policy’ for conditions of use)

7.12. Memberships

7.12.1. Professional development for Councillors is an important and necessary investment to ensure that all Councillors have the knowledge and skills required to perform their duties to the best of their ability. The administration will pay for collective Council memberships for peak bodies such as the Municipal Association of Victoria (MAV), the Victorian Local Governance Association (VLGA), the Australian Local Government Women’s Association (ALGWA) and the Institute of Public Administration Australia (IPAA).

7.12.2. Council may provide opportunities for personal memberships to recognised sector-related bodies (for example the Australian Institute of Company Directors), where:

a) it is not practical to enter into a collective Council membership
b) membership would be demonstrably beneficial to the Councillor to perform their Duties as a Councillor
c) membership is in keeping with the skills and attributes of the Councillor
d) membership is not related to the principal occupation of the Councillor

The cost of any personal membership under this clause will be applied to the annual Councillor training budget as set out in 7.13 below.

7.13. Training, Conferences and Seminars

7.13.1. Attendance by Councillors at conferences, functions, seminars and other professional development activities, as well as personal membership of professional associations, will be available up to a maximum annual expenditure (GST inclusive) of:

- $4,000 per annum per Councillor
- $8,000 per annum for the Mayor

7.13.2. Formal training on technical skills and knowledge necessary to a councillor’s role that is provided for all Councillors directly by Council through induction and on a periodic basis will not form part of the Councillor or Mayor annual allocation as prescribed in 7.13.1. Where specific training is provided for individual Councillors, this is considered an expense incurred by the Councillor and will be reported under section 8.3 of this policy.

7.13.3. Council pays an additional amount on its annual MAV membership and receives credits points that can be used for any MAV Councillor Professional Development Training Program. The credit points are distributed equally to each Councillor and the points used as payment for a program or course that a Councillor attends. Each point equates to $1 of training expenditure and will be reported under section 8.3 of this policy.
7.13.4. Individual budget allocations are not transferable between Councillors or for other purposes. Any training requested must be approved by Human Resources and deemed reasonable for a Councillor to undertake.

7.13.5. The total cost for a Councillor per annum is not to exceed the budgeted amount unless Council resolves to fund the gap or the Councillor agrees to fund the gap. Unspent funds cannot be rolled into the following financial year, but may be taken into account by Council in determining whether to approve the gap.

7.13.6. No funds budgeted or accumulated prior to an election will be available for a Councillor following their re-election.

7.14. Interstate Travel

7.14.1. Where Councillors propose to travel interstate to attend a conference or seminar, the proposal must be approved by Council.

7.14.2. A Councillor who is approved to attend an interstate event must provide a written report for Council by the third Council meeting after their return from travel outlining:
- purpose of conference, seminar, event or study tour
- learning outcomes
- applicable benefits to Council
- issues for consideration of Council or Councillors
- conclusion and recommendations

7.14.3. The standard of air travel will be economy class.

7.14.4. Flexi-fares will not be purchased without the prior consent of the Manager Finance.

7.14.5. Councillors will be provided with a reasonable standard of accommodation. Councillor Support will arrange booking and payment for Councillor's accommodation at the conference hotel, or at an appropriate nearby venue.

7.14.6. Where practical, Councillors should not incur additional accommodation expenses by arriving at events the day before or staying an additional night. Where this is deemed to be unnecessary, the Manager Governance and Communications may refuse the expense claim or refer the matter to the Council for determination.

7.14.7. Meals and daily expenses for incidentals will be reimbursed up to the maximum rate established in Table 1 of the annual Australian Taxation Office Determination for Reasonable Travel Expenses\(^2\), subject to the production of receipts and subject to prescribed event not including breakfast, lunch and/or dinner.

7.14.8. Incidentals includes such expenses as Cabcharges (other than those incurred in travelling to and from the airport or to a place where council-related business is to be conducted) and other reasonable out-of-pocket expenses related to the approved travel. Reimbursement for laundry expenses will only be payable if the trip exceeds at least five days. No hotel phone or internet services can be claimed given that a mobile phone and data plan have been provided.


\(^3\) At the date of preparation of this policy, the applicable amounts in determination TD 2016/17 were:

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<th>Item</th>
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<td>Lunch</td>
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<td>Dinner</td>
<td>50.70</td>
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7.15. **Dinners and Other Non-Council Functions**

7.15.1. Council will meet the cost of ticketed events for Councillors attending non-Council functions to which they have been invited where:
- They are attending in their capacity as a Councillor
- Topics pertain to matters concerning local government or where local government representation is relevant to Council
- The CEO in consultation with the Mayor, will determine the appropriateness of events for inclusion under this clause

7.15.2. Council will not meet the cost of ticketed events for Councillors attending political party fundraisers.

7.16. **Local Fundraising and Charitable Events**

7.16.1. Council will cover the cost of ticketed events for Councillors invited by written invitation to attend local fundraiser/charitable events, where the event benefits Council.

7.16.2. Councillor attendance must have a demonstrated benefit to the local community.

7.16.3. Reimbursement for attendance at such events is subject to availability of budgeted funds. Councillors may not use their annual training and development allowance for attendance at such events.

7.16.4. The CEO in consultation with the Mayor, will determine the appropriateness of the local fundraising and charitable events.

7.16.5. If there is no charge associated with a Councillor attending an event, the Councillor should refer to the Gifts Policy to assess whether attendance at the event should be disclosed.

7.16.6. For the treatment of costs associated with a person accompanying a Councillor, please refer to Clause 7.1.8.

7.17. **During an Election Period**

7.17.1. Councillors must comply with the Act and the Pre-Election (Caretaker) Policy, including the direction that no Council resources can be used for election purposes. This applies to their own candidature or when assisting in the candidature of others.

8. **Administration**

8.1. **Councillor support and offices**

8.1.1. Councillors have access to Councillor Support staff and may access dedicated office accommodation at the Civic Centre.

8.2. **Claim for reimbursement**

8.2.1. All claims for reimbursement of bona fide out-of-pocket expense incurred by a Councillor under their Duties as a Councillor must be submitted to Council within 60 days of incurring the expense.

8.2.2. To enable Council to process a reimbursement, Councillors must:
   a) complete a Councillor’s Reimbursement Form (refer Appendix A) and attach a tax invoice or tax receipt to support their claim, e.g.,
      - Travel Log (refer Appendix B)
      - Carer Expenses Record (refer Appendix C)
   b) sign the Councillor's Reimbursement Form, to verify the amount claimed

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c) forward their completed claim for reimbursement directly to Councillor Support

d) if requested by Council Administration, confirm that expenditure claimed has been incurred while performing their Duties as a Councillor

e) by reviewing and signing the Cabcharge Usage Form, or any other documentation required to verify that related expenses have been incurred while performing their Duties as a Councillor

8.2.3. In the event that the claim is lodged outside policy, e.g., outside the specified timeframe, the Manager Governance and Communications may apply his/her discretion to honour the claim by considering below:

- veracity of the claim
- reasons for delay
- steps taken by the Councillor to seek to comply with this policy

8.2.4. Where a claim is lodged and the necessary documentation is not provided, or the amount of reimbursement is considered to be unreasonable, the Manager Governance and Communications may refuse the claim or refer the matter to the Council for determination.

8.2.5. Where an expense has been overpaid by Council, Council will advise the Councillor so that the overpayment amount can be repaid under an arrangement with the Manager Governance and Communications.

8.3. Reporting

8.3.1. In the interests of transparency and accountability, Councillor expenses paid by Council or reimbursed to Councillors will be reported and disclosed on Council’s public website via the Quarterly Declaration of Councillor Expenses in the period in which the claim is made.

8.3.2. Council will be responsible for undertaking quality assessment to ensure the published Quarterly Declaration of Councillor Expenses Report is current and accurate at the time of reporting.

8.3.3. Quarterly reports of Councillor expenses will be maintained on the Council website for the term of the Council.

8.3.4. Annual reporting of Councillor expenses will be reported in the Annual Report of the Council in a manner consistent with applicable accounting and reporting standards.

9. Consultation

This policy has been prepared in consultation with Councillors and Council’s Chief Executive Officer.
10. Related Documents

- Councillor Reimbursement Form (Appendix A)
- Travel Log (Appendix B)
- Carer Expenses Reimbursement Form (Appendix C)
- Moonee Valley City Council - Councillor Code of Conduct
- Local Government Act 1989 – Sections 75, 75A, 75B and 75C
- Gift Policy
- Private Motor Vehicle for Business Purposes Policy
APPENDIX A

COUNCILLOR REIMBURSEMENT FORM

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<tr>
<th>Date</th>
<th>Councilor</th>
<th>Postal Address</th>
<th>State</th>
<th>Postcode</th>
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Details of the Reimbursement Claim

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<th>Amount (Less GST)</th>
<th>GST</th>
<th>Amount (Incl. GST)</th>
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Net Amount | GST | Total Amount |
|-----------|-----|--------------|

By making this claim I declare that:

[ ] All expenses relate to Council activities
[ ] A proportion amounting to $_________ relates to Council activities

Councillor: ____________________________

Authorised: ____________________________

All reimbursements are paid in accordance with the Councillors & Staff Travel, Conference Attendance and Expenses Reimbursement Policy

Directorate: Organisational Performance

Responsible Manager: Governance and Communications

Document No: 18/132104

Approval Date: 26 June 2018

Review Date: 26 June 2021
APPENDIX B

TRAVEL LOG FOR PRIVATE USE OF VEHICLE
(copy of Diary to be attached)

Councillor: .................................................................

Date of Claim: .................................................................

Vehicle Make, Model
and Rego: .....................................................................

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<tr>
<th>Date of Travel</th>
<th>Event Description</th>
<th>Address</th>
<th>KMs</th>
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</table>

Total kilometres

Cents per kilometre

Amount being Claimed *

Councillor Signature ............................................. Date

* To be inserted on to Councillor Reimbursement Form

APPENDIX C

COUNCILLOR REIMBURSEMENT OF CARER EXPENSES
(invoices and copy of Diary to be attached)

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Councillor: ........................................

Date of Claim: ......................................

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<th>Amount (incl GST)</th>
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<td>Date</td>
<td>Time</td>
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Amount to be reimbursed to Councillor * $ 

I certify that all particulars of the expenditure are true and correct and that the expenses were incurred by me while undertaking Council related business. All expenditure is supported by service provider – invoices/vouchers are attached.

............................................. .............................................
Councillor Signature Date

* To be inserted on to Councillor Reimbursement Form