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##

**Council Expenses**

**Policy**

**Responsible Service Area: Executive Office**

**e-CLIP record no. 20/222198**

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# Purpose

Council must adopt and maintain an Expenses Policy pursuant to section 41 of the *Local Government Act 2020* (the Act).

This policy supports councillors and members of delegated committees to perform their role, as defined under the Act. It provides guidance on:

* Mayor, Deputy Mayor and Councillor allowances
* the provision of facilities and support to enable them to effectively perform their role
* the reimbursement of expenses that are reasonably incurred in the performance of their role.

The policy is intended to ensure that councillors and members of delegated committees are supported to perform their duties without disadvantage.

# Relationship to the Maroondah 2040 Community Vision

In relation to *Maroondah 2040: Our future together*, the operation of this policy is aligned with:

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| **Community Outcome:** | A well governed and empowered community |
| **Key Directions:** 8.1 Provide enhanced governance that is transparent, accessible, inclusive and accountable8.2 Ensure responsible and sustainable management of Maroondah’s resources, assets, infrastructure and natural environment |

# Alignment with Council’s Mission and Values

The Policy supports Council’s Mission to work in partnership with the community, business and other spheres of government by providing facilities and support for the Mayor, Deputy Mayor and Councillors to meet their civic and community obligations.

The Policy supports Council’s Mission to be a dynamic and innovative leader by offering the opportunity for the Mayor, Deputy Mayor and Councillors to undertake professional development. In this regard it also supports Council’s core Values

The operation of this Policy is aligned with the *Councillor Code of Conduct (February 2021) Item 6 Use of Council Resources – including funds/property.*

# Objectives

The policy gives effect to the Entitlements Principles as outlined in Division 6 of the Act.

* To outline the resources and facilities provided, and the expenses to be reimbursed or paid by Council for the Mayor, Deputy Mayor and Councillors.
* To outline the approval process for reimbursement of expenses incurred by the Mayor, Deputy Mayor and Councillors while undertaking their duties.
* To outline the reporting requirements

# Scope

The Policy applies to the Mayor, Deputy Mayor and Councillors of Maroondah City Council and to members of delegated committees.

It identifies the provision of resources and facilities; the reimbursement of expenses incurred while undertaking the prescribed Duties of Council or a delegated committee; as well as clarifying the approval process.

Councillor duties and activities considered under this policy to be necessary or appropriate for the purposes of achieving the Objectives of Council are prescribed as:

* Attending Ordinary and Special Council meetings, Advisory Committee meetings, formal briefing sessions (Councillor Briefings) and civic or ceremonial functions convened by the Council, the Mayor or the Chief Executive Officer.
* Attending meetings, workshops or video recording sessions scheduled with the Council, the Mayor the Chief Executive Officer or a Director / Manager.
* Attending a meeting or function as the nominated representative of Council or the Mayor.
* Attending meetings of community groups, organisations and statutory authorities to which the Councillor has been appointed as the Council delegate or the nominated representative of the Council.
* Attending site inspections associated with Planning Consultative Meetings.
* Attending conferences as an attendee and/or speaker as Council’s nominated representative or delegate and which:
	+ Are consistent with the Council’s Objectives; and
	+ Will cover or present material with application/importance/relevance to current or future issues faced by the Council; and
	+ Are within the Councillor’s annual budget allocation for Professional Development

# Definitions

For the purposes of this policy, Council adopts the following definitions:

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| Act | Local Government Act 2020 |
| Attendance Allowance | an amount determined by Council for use by each Councillor to meet the cost of attending community events and functions, including the cost of attending Maroondah Leisure facilities and Karralyka. |
| Carer | Means a carer in a care relationship within the meaning of section 4 of the *Carers Recognition Act 2012* |
| Childcare | Means commercial provision of care services of a dependent child up to, but not including, 16 years of age. |
| Council | means a Council, as defined in Section 3 of the Local Government Act 2020. |
| Council Meeting | means a meeting of the Council convened in accordance with the Governance Rules of Maroondah City Council (October 2022 or as subsequently updated) and includes an Ordinary Meeting (scheduled Council Meeting) and a Special Meeting (unscheduled Council Meeting). |
| Councillor | means a Councillor, as defined in Section 3 of the Local Government Act 2020. |
| Delegated committee | Delegated committees are defined under section 63 of the Local Government Act 2020 |
| Mayor and Deputy Mayor Allowance and Councillor Allowance | an amount determined by the Victorian Independent Remuneration Tribunal under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (incorporating amendments). |
| Meeting | means a Meeting of the Council (including an Ordinary and Special Meeting) or a Delegated Committee Meeting; or Community Asset Committee Meeting. |
| Partner | Means a Domestic Partner, as defined in Part 1.3.1 and Part 1.3.2 of the Local Government Act 2020. |
| Policy | Means a formal statement of principle which regulates Council’s activities, defines roles and responsibilities within Council, and provides guidance to assist staff in carrying out Council functions in line with Council values and relevant legal obligations. |
| Professional Development Allowance | an amount determined by Council for use by each Councillor to undertake professional development |
| Special Council Meeting | means an unscheduled meeting of the Council convened for a particular purpose or matter that cannot be effectively dealt with in the schedule of Ordinary Council meetings set by Council |
| Spouse | Means a Spouse, as defined in Part1.3.1 of the Local Government Act 2020. |

# Policy

1. **Expense Reimbursements**

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.

Councillors and members of delegated committees will be reimbursed for out-of-pocket expenses that are:

* + bona fide expenses **and**
	+ have been reasonably incurred in the performance of the role of councillor **and**
	+ are reasonably necessary for the councillor and member of a delegated committee to perform this role.

## **Carer and dependent-related expenses**

Council will reimburse the cost of childcare or carer expenses incurred whilst performing the prescribed Duties of a Councillor or member of a delegated committee. (s41 of the Act).

Reimbursement is subject to the following conditions:

* + 1. Each childcare and or carer expense claimed shall be substantiated by a receipt from the caregiver showing the dates and times care was provided and accompanied by a written statement from the Councillor explaining why the care was needed on each occasion;
		2. Child care and/or carer costs are not eligible for reimbursement if the paid care was provided by a person who resides with the councillor or delegated committee member; has any financial or pecuniary interest with the councillor or delegated committee member; or has a relationship with the councillor, delegated committee member or their partner (eg: partner, mother/father, sister/brother or sister in law/brother in law);
		3. Claims for reimbursement of child care and or carer expenses must be submitted within 3 months of the month from which they are incurred.

## **Travel**

Council offers the following arrangements to assist Councillors when undertaking Council business and performing the prescribed Duties of a Councillor or to a member of a delegated committee.

Council will reimburse upon request, for travel expenses incurred in undertaking the prescribed Duties of a Councillor or as a member of a delegated committee; as follows:

* + 1. For travel by car, an expense allowance be paid, based on the rate set out in the Victorian Local Government Award 2015 – Section 15.2 – Vehicle Allowance (incorporating amendments).
		2. For travel by motorcycle, an expense allowance be paid, based on the rate set out in the Victorian Local Government Award 2015 – Section 15.2 – Vehicle Allowance (incorporating amendments).
		3. The Mayor is entitled to the provision of a fully maintained vehicle or an annualised cash allowance of $14,000 in lieu of a Council provided vehicle. Reimbursement for kilometres travelled cannot be claimed if the Mayor has taken up either of these two options.
		4. Car parking fees will be reimbursed on the basis of original receipts and relevant details regarding the purpose, date and time of the meeting or function. The best value for money parking options should be sought.
		5. Costs associated with tolls, including the use of day passes or those transactions incurred as part of existing personal e-tag accounts. Copies of relevant supporting documentation must be provided.
		6. Public transport fares will be reimbursed upon production of receipt/ticket, or a Myki card will be made available for Councillor’s business use only. Councillors are encouraged to use public transport for meetings and conferences to and within the Melbourne Central Business District, where practical and safe to do so.
		7. Travel should be undertaken by the shortest route possible.
		8. A record of private vehicle use must be maintained by the Councillor and submitted on a monthly basis. This record must contain details of Council business, date, destination, number of kilometres, parking costs and tolls.
		9. Claims for reimbursement of travel must be submitted within 3 months of the month from which they are incurred.
		10. Councillors undertaking private travel arrangements in conjunction with any travel for the purpose of their Duties as a Councillor must ensure that all costs incurred for private purposes are clearly delineated and that appropriate records including pre-departure itineraries are maintained.
		11. Where any private travel and associated costs are included in a package ticket or arrangement, the Councillor must meet, or reimburse Council the private proportion of the cost.
		12. Fines and Infringements will not be borne by Council. Councillors will be responsible for the payment of their own fines and infringements

# Professional development

This policy acknowledges the obligation on Councillors to be properly informed on all matters pertaining to Council services and the issues of importance to the Maroondah community.

This policy supports this obligation by offering the opportunity to undertake appropriate professional development (conferences, seminars, workshops and training sessions) and memberships of relevant Professional Associations (e.g. ALGWA, MAV, AICD or similar) that may be of benefit to the individual Councillor and Council as a whole.

Councillors undertaking professional development shall have expenses for transport, accommodation, registration fees, meals and refreshments relating to their attendance paid by Council within the parameters of their Professional development Budget.

2.0.1 Each Councillor has a budget amount of $10,570 per annum, as per July 2023 indexation. This amount is indexed in line with any adjustments to the Councillor Allowance as determined by the Victorian Independent Remuneration Tribunal , to meet professional development expenses.

2.0.2 For the 2024/25 financial year and subsequent election years this amount will be pro-rata due to the term of a Councillor coinciding with part of a financial year, eg: date of election to the end of financial year or beginning of a financial year to date of election

### **As Of Right Approval**

Attendances and memberships are approved as a matter of right for professional development purposes **within Australia**, *subject to* the cost falling within the annual budget amount allocated for each Councillor.

### **Council Approval**

Attendance for **all other professional development events, ie: outside of Australia**, is subject to Council approval, at an ordinary meeting of Council, based upon the following:

2.2.1 The Councillor wishing to attend such an event submitting a business case to Council for attendance – with such to include the benefits to be gained from attendance; total costs and Council funds required.

### **Attendance by spouse or partner**

The cost of attendance by a spouse or partner at professional development activities is permitted, subject to the following:

* + 1. Within Australia having available budget within the Professional Development Allowance ie: comes within the ambit of the annual budgeted amount allocated to the individual Councillor;
		2. Beyond Australia *ie overseas –* seeking approval of Council via a separate business case for the attendance of the Spouse or Partner; and
		3. Other than Council approval being granted in accordance with clauses 2.3.1 & 2.3.2, as above, the attendance of a Spouse or Partner will be at the total expense of the Councillor.

### **Accommodation/meals/refreshments**

* + 1. Accommodation shall be organised at the Hotel used for the Conference/ Workshop/Training Session or where a package of Hotels is provided, at any one of those Hotels having regard to cost and standard or at a Hotel/ Motel close to the Conference venue at a similar rate and standard.
		2. Councillors wishing to make alternative Hotel/Motel arrangements shall personally incur/bear all costs over and above that of the accommodation referred to in clause 2.4.1
		3. Reasonable expenses for meals and refreshments will be reimbursed for attending Conferences/Professional Development Workshops/Training Sessions where overnight accommodation is required, upon production of receipts.

### **Travel**

* + 1. Councillors wishing to make their own travel arrangements shall have the amount equivalent to the cost of the most economic, reasonable form of transport, reimbursed by Council.
		2. For travel by car, an expense allowance be paid, based on the rate set out in the Victorian Local Government Award 2015 – Section 15.2 – Vehicle Allowance (incorporasting amendments), up to a maximum level equivalent to the cost of a standard economy class return air fare. Car parking charges and toll road usage fees will be reimbursed as per Clause 1.2.4 and Clause 1.2.5.
		3. Councillors travelling on Council business who are required to fly or use any other means of regular public transport, will be eligible only for an amount up to the cost of economy class travel.
		4. Taxi, Uber and Hire vehicles
			1. Councillors are entitled to use a taxi, Uber or Hire vehicle to and from their

home and the airport, and from the airport and hotel at their destination to the Conference/Workshop/Training Session or meeting venue and return.

* + - 1. Taxi or Uber fares (other than those incurred in travelling to and from the airport) or costs associated with a hire vehicle may be reimbursed. The report to Council as required by Clause 2.7 shall include justification of such use, ie:
				* Inspections and meetings relevant to the Conference
				* inspections and meetings requested by Council
				* economic advantage in hiring a vehicle
		1. Claims for reimbursement of travel must be submitted within 3 months of the month from which they are incurred.

### **Other expenses**

All other expenses incurred as a result of attending professional development conferences, workshops, and/or training sessions shall be the responsibility of the Councillor.

### **Councillor reporting requirements**

Attendance at any professional development event held outside of Victoria will be the subject of a report to Council. The report is to be written; tabled at a Council meeting within 3 months of the month when the professional development event was held; and may be a joint report if more than one Councillor attended.

A template Professional Development Report form is available for use by Councillors on the Councillor Hub or on request from the Councillor Support Officer.

Such report should include:

* + 1. Details of course topic, content, location, date and duration;
		2. Relevance of Conference/Workshop/Training Session to Council’s business and Councillor’s personal development requirements;
		3. Total costs covering course, course material, travel, accommodation and any other expenses for the Councillor: and
		4. Benefits from attendance.

# Attendance at functions and events

This policy acknowledges that Councillors, in the normal course of their duties, will be invited or required to attend various community functions and events.

The cost of attending these functions or events (including the cost for the spouse or partner of a Councillor) will be met from each Councillor’s respective Councillor Attendance budget.

* + 1. Each Councillor has a budgeted amount of $2,345 per annum; the Mayor has a budget amount of $4,630 per annum; and the Deputy Mayor has an amount of $3,470. These amounts are as per July 2023 indexation and are indexed in line with any adjustments to the Councillor Allowance as determined by the Victorian Independent Remuneration Tribunal to meet the costs associated with attending functions or events.
		2. For the 2024/25 financial year and subsequent Election years this amount will be pro-rata due to the term of a Councillor coinciding with part of a financial year, eg: date of election to the end of financial year or beginning of financial year to date of election.

### **Attendance by spouse or partner**

The cost of attendance by a spouse or partner at community functions and events is permitted, subject to the following:

* + 1. Having available budget ie comes within the ambit of the amount allocated in the Councillor Attendance budget to the individual Councillor;
		2. Other than clause 3.3.1 above, the attendance of a spouse or partner will be at the total expense of the Councillor.

# Facilities/equipment

This Policy acknowledges that the demands made upon a Councillor’s time can be significant and that Council business can therefore be conducted more efficiently if access is provided to necessary facilities. In respect to the resources/facilities/equipment provided (refer 4.1 and 4.2):

* + The facilities/equipment provided is for Councillor use and must not be used for electioneering purposes.
	+ Councillors must ensure the integrity and configuration of equipment provided is maintained at all times.
	+ Minimal non-Council use of equipment, such as laptops and smart phones, that has no direct cost for Council, is allowable.
	+ Specific items of a personal nature that can be separately costed, eg overseas personal calls and International Roaming charges from a smart phone, will be the responsibility of the Councillor.
	+ Councillors must seek the approval of Council for overseas data and calls
	+ Councillors must ensure the protection and safe keeping of all equipment issued.
	+ All equipment, software and Intellectual Property issued or used shall remain the property of Council.

### **Communication**

Councillors will be provided with a personal computer, printer (incorporating the capability to scan and copy), and smart phone:

* + 1. All connection fees will be met by Council.
		2. Rental Fees and all Council business call and data charges will be met by Council.
		3. The cost of consumables associated with the computer and printer shall be met by Council.

### **Resources/Equipment**

Councillors will be provided with:

* Administrative support for the Mayor and Councillors
* Office for the Mayor
* Councillor workspace and lounge for the Councillors to conduct business
* A budget allocation is attached to the Office of the Mayor for the provision of a vehicle ($14,000 allowance as per July 2023 and indexed in line with the Councillor Allowance as determined by the Victorian Independent Remuneration Tribunal)
* Business Cards;
* Name badges;
* Jacket;
* Umbrella; and
* other items of clothing and stationery as required to perform the duties of a Councillor.

# Other expenditure

### **Maroondah Leisure and Karralyka**

Councillors will have access to any of the Maroondah Leisure facilities and Karralyka. The actual use by Councillors, their guests and immediate family is to be charged, for each instance, to their respective Councillor Attendance budget.

The costs of attending Maroondah Leisure facilities and Karralyka (including the cost for the guests and immediate family of a Councillor) will be reported in Council’s Annual Report.

### **Expenditure General**

Any expenditure not specified in the policy as expenditure for which a Councillor is entitled to be reimbursed or paid, shall be the responsibility of the Councillor.

### **Councillor Allowance – Taxation**

Given that the Councillor Allowance is treated by the Australian Taxation Office as assessable income in the individual’s hands, Councillors are encouraged to consider whether this other expenditure is deductible for taxation purposes as an expense necessarily and solely incurred in the carrying out of their Council duties.

Prevailing taxation laws and substantiation requirements should be recognised and considered when maintaining records for deduction purposes.

**Note:** Councillors should seek their own professional advice in respect to financial/taxation matters.

# Indexation

The budgeted amounts to meet the cost and/or reimbursement of Professional Development; Attendance at functions and events;and provision of a vehicle for the Office of Mayor as described in Items 2,3 and 4, will be indexed in line with any adjustments to the Councillor Allowance, as determined by the Victorian Independent Remuneration Tribunal under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019.*

# Making a claim for reimbursement

7.1 All claims for reimbursement must be made on the approved expense reimbursement form/s, available from the Councillor Hub or the Councillor Support Officer.

* + 1. Original receipts (or scanned copies of original receipts) must be attached for all claims (credit card receipts will not be accepted without supporting information).
		2. Where the provider of the goods or service is registered for GST a tax invoice must be obtained and provided (without this the GST component of the cost cannot be reimbursed).
		3. Claims must be lodged with the Councillor Support Officer within 3 months of the month from which the activity occurred.
	1. Reimbursements will be provided by electronic funds transfer.
	2. Reimbursements will be made within the timeframes identified in Council’s Payment Outside Terms of Trade Policy (April 2021).

# Reporting requirements

A report of all Councillor and delegated committee member expenses will be made to Council’s Audit and Risk Committee (in accordance with the Act s40(2)) and will be included in the Annual Report in accordance with the Public Transparency Principles and Section 58 of the Act.

The report will summarise the financial year figures for:

* + Travel;
	+ Car Mileage;
	+ Childcare/Carer;
	+ Information and Communication expenses
	+ Professional Development (including conferences and training);
	+ Civic and Community Attendance.

# Administrative updates

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this policy document.

Where an update does not materially alter this document, such a change may be made administratively, as authorised by the Chief Executive Officer.

However, any change or update which materially alters this document must be by resolution of Council.

# Related Policies & Legislation

### **Internal:**

* + *Maroondah 2040 – Our future together*
	+ *Council Plan 2021 - 2025*
	+ *Councillor Code of Conduct* - February 2021
	+ *Governance Rules* - October 2022
	+ *Public Transparency Policy* - August 2020
	+ *Privacy Policy* - June 2002
	+ *Payment Outside Terms of Trade Policy* - April 2021

### **External:**

* *Local Government Act 2020*
* *Victorian Local Government Award 2015 – Section 15.2 – Vehicle Allowance*
* *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019*
* *Carers Recognition Act 2012*
* *Charter of Human Rights and Responsibilities Act 2006*
* *Equal Opportunity Act 2010*
* *Freedom of Information Act 1982*
* *Gender Equality Act 2020*
* *Privacy and Data Protection Act 2014*

# Monitoring, Evaluation & Review

Council commits to monitoring processes, information sharing and decision making to understand the overall level of success in the Policy’s implementation.

A periodic review of this policy will be undertaken to ensure any changes required to strengthen or update the policy are made in a timely manner.

The next review of this policy is scheduled for June 2025.