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**Policy:**

**Councillor Expenses and  
Facilities**

**2022**

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## INFORMATION ABOUT THIS DOCUMENT

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3	28 June 2022	Revision, Resolution 27.06/22

<b>Related Legislation</b>	<i>Local Government Act 1993</i> <i>Local Government (General) Regulation 2021</i>
<b>Related Policies</b>	
<b>Related Procedures/ Protocols, Statements, documents</b>	Office of Local Government Guidelines for the Payment of Expenses and Provision of Facilities for Mayors and Councillors in NSW (2009)

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**1. OBJECTIVES**

The objectives of this policy are to ensure that:

- There is accountability and transparency in the payment of expenses incurred or to be incurred by Councillors;
- These expenses and the facilities provided to Councillors are acceptable to, and meet the expectations of, the local community;
- Council complies with legislative requirements; and
- Councillors are not financially or otherwise disadvantaged in undertaking their civic duties.

**2. SCOPE**

This policy applies to all Councillors of Uralla Shire Council, including the Mayor. This policy is to be read in conjunction with Council’s Code of Conduct, particularly those provisions relating to the use of resources.

**3. DEFINITIONS**

<b>Act</b>	The <i>Local Government Act 1993</i> .
<b>Council Event</b>	Means conferences, training and development, seminars and presentations, dinners with visiting delegates, and other events – in addition to Council Meetings - to which attendance by a Councillor has been requested and approval received in accordance with this Policy. For the purpose of this Policy, an approved Council Event for attendance by the Mayor and/or Deputy Mayor includes the annual: <ul style="list-style-type: none"> <li>• New South Wales Local Government Association Conference,</li> <li>• Australian Local Government Association National General Assembly, and</li> <li>• National Roads and Transport Congress.</li> </ul>
<b>Councillor</b>	Means a person elected or appointed to civic office as a member of the governing body of Uralla Shire Council who is not suspended, including the Mayor.
<b>Expenses</b>	Means reasonable costs or charges incurred, or to be incurred, by Councillors discharging Official Business or attending Council Events. All Expenses for reimbursement must be outlined in this Policy and may be either reimbursed to a Councillor or paid directly by the Council to a third party. Expenses are separate and additional to allowances paid to Councillors and the Mayor in accordance with the Act.
<b>Facilities</b>	Equipment and services provided by Council to Councillors to enable them to discharge Official Business to a standard appropriate to their role.
<b>Guidelines</b>	Guidelines issued under section 23A of the Act to which this Policy must comply.
<b>Limits and Standards</b>	This Policy sets out the monetary limits to be applied to reimbursement of expenses, and the standards for the provision of equipment of facilities as determined by Council in accordance with the Guidelines.
<b>Local Travel</b>	Travel within the Uralla Shire Council Local Government Area.

<b>Council Meetings</b>	Meetings for which Councillors expenses will be reimbursed for attending include Ordinary and Extraordinary meetings of Council within the meaning of the Act, and Standing Committees and/or Workshop meetings to which the Councillor is a delegate by resolution of Council.
<b>Official Business</b>	Means functions that the Mayor or Councillors are required or invited to attend to fulfil their legislated role and responsibilities for Council or result in a direct benefit for Council and/or for the local government area, and includes: <ul style="list-style-type: none"> <li>• Meetings of Council and committees of the whole</li> <li>• Meetings of committees facilitated by Council</li> <li>• Civic receptions hosted or sponsored by Council</li> <li>• Meetings, functions, workshops, and activities to which attendance by a Councillor has been requested and approved in accordance with this Policy.</li> </ul>
<b>Regulations</b>	Local Government (General) Regulation 2005.

#### 4. STATEMENT

Section 252 of the Act requires that Council adopt a Policy on payment of Councillor Expenses and the provision of facilities to Councillors within 12 months of the term of a new council.

##### 4.1. Key Principles

The Code of Conduct provides that:

- Councillors must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out their functions;
- Council resources must be used ethically, effectively, efficiently and carefully, Council property including intellectual property, official services and facilities must not be misused for private benefit or gain;
- Councillors should avoid any action or situation that could create the appearance that Council resources are being inappropriately used;
- A person’s re-election is considered to be a personal interest. Official Council material such as letterheads, publications, websites (including all other social media) as well as Council services and forums should not be used for re-election purposes;
- The fund raising activities of political parties, including political fundraising events, are considered to be personal interests.
- Council facilities provided to Councillors should not be used for personal benefit other than on an incidental basis. Where more substantial private use occurs, Council will require payment of a fee to cover this use.

##### 4.2. Reimbursement of Expenses

Section 252 of the Act and Clause 403 Regulations requires that Council authorises payment of expenses and provide facilities to Councillors and the Mayor as follows:

- Councillors can only receive reimbursement for expenses and the use of facilities when these are clearly defined in this Policy; and
- Adequate provision must be made within the Policy for Councillors and the Mayor to be reimbursed for actual expenses in the performance of Official Business and attendance at Council Events, including but not limited to training and development, conferences and seminars, travel, childcare, legal expenses and insurance.

Councillors should not obtain private benefit from the provision of equipment and facilities, however it is acknowledged that incidental use of council equipment and facilities may occur from time to time. Such incidental private use is not subject to compensatory payment back to Council. Where private use does occur beyond incidental nature, the Act provides that Council must recover a payment from Councillors to cover that use.

Appropriate rates for reimbursement and standards for provision of facilities should be included within this Policy. This will include reference to any relevant employment award rates and Australian Taxation Office determinations.

#### **4.3 Allowances**

Council will determine the amount of the Councillor and Mayoral allowances each year in open Council. Allowances are to be within the limits set for Councillors by the NSW Local Government Remuneration Tribunal.

#### **4.4 Expenses, Facilities and Equipment – General**

Councillor expenses may not be used to support attendance by Councillors at political fund raising functions. Council facilities, equipment and services are not to be used by or for Councillors to produce election material or for any other political purposes.

A general allowance for expenses will not be paid. Council will not pay for any private benefits obtained by a Councillor. Councillors must also, in accordance with the Code of Conduct, avoid any action or situation that could create the appearance that Council resources are being used inappropriately.

#### **4.5 Approval gained prior to an expense being incurred**

Where appropriate and requested by a Councillor, and authorised by the Mayor and General Manager, or Deputy Mayor and General Manager in the case of the Mayor, Council will provide an advance payment for the cost of a service associated with discharging Official Business. This is to ensure that Councillors are able to fully participate in Official Business without financial disadvantage. Advance payments must always be reconciled at a future date within 45 days of the expense being incurred, with any residual funds being returned to Council.

In circumstances where it is appropriate for Councillors to give a gift or benefit these gifts and benefits should be of a token value and in accordance with the relevant policies of Council. Clarification on what token gifts and benefits are can be sourced from Council's Code of Conduct.

Approval for discretionary trips, attendance at conferences and/or for other significant expenses and facilities will occur, where possible, at a full meeting of Council.

Reimbursement of payments made by the Mayor and Councillors will only be made following the completion of a form as set out in Appendix A: Expense Claim Form, and the provision of:

- A tax invoice in the case of expenditure greater than \$50.00; or
- A receipt or Statutory Declaration where a receipt cannot be obtained for expenditure less than \$50.00.

In accordance with requirements, Council has set monetary limits to all expense provisions in this Policy, as well as standards for the provision of equipment and facilities. See Appendix B, Limits and Standards that prescribes a summary of the monetary limits and standards as determined under the Policy to be applied.

In situations where private use by Councillors, greater than an incidental nature, arises from the provision of facilities Councillors will compensate Council in accordance with the appropriate method of reconciliation and reimbursement for that private use. Facilities, equipment or services provided to a Councillor shall be returned to the Council, or terminated where applicable, when an individual ceases to be a Councillor or during an extended leave of absence. The Councillor where practical, will be given the option to purchase the equipment provided at the greater of an agreed fair market price or written down value.

#### **4.6 Items for the payment of expenses**

##### ***Attendance at seminars and conferences***

- a) Council will be represented at the annual New South Wales Local Government Association Conference by the Mayor and/or Deputy Mayor.
- b) Council will be represented at both the annual Australian Local Government Association National General Assembly of Local Government and National Roads and Transport Congress by the Mayor and/or Deputy Mayor.
- c) Attendance at all other seminars and conferences must be approved.
- d) Requests for attending seminars and conferences must be in writing and outline the benefits to Council;
- e) Where possible, requests must be considered and approved at a full meeting of Council prior to attendance. Where this is not possible, attendance should be approved by the Mayor and General Manager;
- f) After returning from the conference the Councillor/s should provide a written report to Council on the aspects of the seminar or conference relevant to Council business and / or the local community;
- g) Council will pay all seminar or conference registration fees including the costs of related official lunches and dinners, and associated tours where they are relevant to the business and interests of Council;
- h) Council will meet the reasonable cost of transportation, parking fees, road tolls, accommodation and meals associated with attendance at the conference when they are not included in conference fees, and they are in accordance with other Policy provisions, approval processes and limits;

- i) Associated costs for attendance by spouses, partners and accompanying persons will only be met in accordance with the relevant provisions of this Policy.

***Training and Development***

- a) Council will identify, plan and provide for training and development of Councillors to enable them to carry out Official Business;
- b) A separate provision will be made within the annual budget for the payment of training and development expenses of Councillors;
- c) It is essential that where Council is paying these expenses that the training or educational course is directly related to the Councillor's functions and responsibilities;
- d) Council will meet the reasonable cost of transportation, parking fees, road tolls, accommodation and meals associated with attendance at the training and development when they are not included in the training or course fees, and they are in accordance with other Policy provisions, approval processes and limit.

***Travel – General***

- a) All travel by Councillors will be undertaken utilising the most direct route and most practicable and economical mode of transport subject to any personal medical considerations;
- b) Councillors will be responsible for any traffic or parking infringements incurred, whether it is related to their own vehicle or a Council vehicle in their control;
- c) This will include the use of private vehicles in accordance with the rates advised by the Australian Taxation Office, as set out in Appendix B.

***Travel – Local***

- a) Council will pay for or reimburse the reasonable Local Travel expenses, including use of a Councillor's own vehicle, public transport, hire cars and taxi fares of Councillors relating to carrying out Official Business or attending a Council Event as defined within this Policy.

***Travel – Intrastate***

- a) Travel expenses, including flights outside the Uralla Shire Council Local Government Area but within the State of NSW for Councillors carrying out Official Business or attending a Council Event, as defined in this Policy, will be paid for or reimbursed in the same method as Local Travel, with the exception that they will require approval prior to travel, by the Mayor and General Manager or where appropriate Council.

***Travel – Interstate***

- a) Travel expenses including flights, outside the state of NSW for Councillors carrying out Official Business or attending a Council Event, as defined in this Policy, will be paid for or reimbursed in the same method as local and intrastate travel, with the exception that interstate travel will require a request for approval to be considered and approved at a full meeting of Council prior to the travel being undertaken;
- b) The request for approval of interstate travel should include full details of the travel, including itinerary, costs and reasons for the travel.



***Travel – International***

- a) Councillors will not be reimbursed for any overseas travel.

***Accommodation Costs***

- a) Accommodation standards to be restricted to a four star standard accommodation, unless it is impractical to do so, or the accommodation is included at a conference venue;
- b) Should a Councillor elect to utilise a higher standard of accommodation, they shall reimburse Council prior to the stay for the difference in cost;
- c) Any personal expenses (mini bar, additional nights not required for Official Business etc.) must be met by the Councillor on checking out.

***Incidental expenses***

- a) Reasonable out of pocket expenses or incidental expenses associated with Councillors attending Council Events and undertaking Official Business will be reimbursed provided that it can be demonstrated that the expenses were actually incurred and that appropriate reconciliation and procedures are followed as contained in this Policy;
- b) Incidental expenses which may be associated with Official Business may include:
- Telephone call costs; and
  - Internet charges.
- c) A daily limit as set out in Appendix B will apply to all incidental expenses.

***Legal expenses***

- a) Council will indemnify or reimburse a Councillor's reasonable legal costs properly incurred only where:
- Legal proceedings are taken against a Councillor in defending an action arising from the performance in good faith of a function under the *Local Government Act 1993* or defending an action in defamation, provided that the outcome of the legal proceedings is favourable to the Councillor; or
  - An inquiry, investigation or hearing is undertaken into a Councillor's conduct by an appropriate investigative or review body, subject to: it arising from the performance in good faith of a Councillor's functions under the Act, the matter having proceeded past any initial assessment phase to a formal investigation or review, and where the investigative or review body makes a finding that is not substantially unfavourable to the Councillor.
- b) Circumstances where a matter does not proceed to a finding or in the case of a Councillor's conduct, the investigative or review body finding that an inadvertent minor technical breach has occurred will not necessarily be considered a substantially unfavourable outcome;
- c) Approval must be sought and gained from the Mayor and General Manager, or Deputy Mayor and General Manager in the case of the Mayor prior to legal expenses being incurred;
- d) Council will not meet the legal costs of legal proceedings initiated by a Councillor under any circumstances; Council will not meet the legal costs of a Councillor seeking advice in respect of a possible defamation matter, or in seeking a non-litigious remedy for possible defamation;

- e) Legal costs will not be met for legal proceedings that do not involve a Councillor performing their role as a Councillor;
- f) Council will not meet the legal costs in relation to any inquiry, investigation or hearing where the finding of the investigative or review body is substantially unfavourable to the Councillor;
- g) Any information provided to a Councillor under this Policy shall also be given to the Mayor and General Manager, and at the Mayor and General Manager's discretion be provided to all Councillors;
- h) The coverage of legal expenses is limited as set out at Appendix B in respect of each Councillor during any one financial year.

***Insurance expenses***

- a) Council provides cover under the Statewide Insurance Scheme under the Public Liability & Professional Indemnity Scheme and Statewide Councillors & Officers Liability Scheme. This cover provides insurance to Councillors for matters arising out of Councillor's performance of Councillor functions and responsibilities.

***Telecommunication and Internet expenses***

- a) Council will provide a mobile phone, where relevant or pay for, or reimburse the costs of the Mayor for his/her use of a personal mobile phone for Council business purposes on a monthly basis;
- b) With the provision of other data devices, such as Tablets (iPads), Council will pay the costs of data plans to enable their use. The amount covered by Council will be limited to the amounts as set out in Appendix B, and any charges in excess of the established plan, be they private or business related, will be paid for or reimbursed to Council by the Councillor.

***Personalised documents***

- a) Council will not cover the expenses of Councillors in relation to any production or dissemination of personalised pamphlets, newsletters or the like;
- b) Council recognises that regardless of the intention of such activities, they may be perceived as using Council resources for private political benefit, and therefore contrary to the spirit of the Code of Conduct and the Act.

***Attendance at Council Events***

- a) Council will meet the costs of attendance of Councillors at Council Events, within the definition of this Policy, where the expenses are not of a private nature. The coverage of the costs is subject to the limits as set out for relevant expense categories in this Policy in Appendix B for each individual Councillor on a monthly basis.
- b) No payment will be made by Council for any attendance by a Councillor at any political fund raising event, donation to a political party, a candidate's electoral fund or such other private benefit.

***Care and other related expenses***

- a) Council will make payment for or reimburse Councillors for reasonable costs incurred for care arrangements, including childcare expenses and the care of elderly, disabled and/or sick

immediate family members of Councillors in order to allow Councillors to undertake Official Business as set out within this Policy;

- b) As outlined in the Guidelines, this is in accordance with the principles of participation, access and equity and is considered by the Office of Local Government to be a legitimate expense;
- c) The payment for or reimbursement of these expenses are subject to the limits as set out in Appendix B.

***Expenses for spouses, partners and accompanying persons***

- a) There will be limited occasions where Council will meet the costs of attendance for a Councillor's spouse, partner or accompanying person, as defined within this Policy. Such occasions include:
  - Attendance at Council Events that are of a formal and ceremonial nature and within the Uralla Shire Council Local Government Area where a spouse, partner or accompanying person could reasonably be expected to attend; such as Australia Day Award ceremonies, citizenship ceremonies and civic receptions;
  - Attendance at Council Events that are approved annual conferences, but limited to official dinner costs. Any additional accommodation or tour costs will be met by the Councillor;
  - Where the spouse, partner or accompanying person is representing the Mayor, when they are called upon to attend an official function outside the Council area, but within NSW.
- b) Any costs outside of those identified above will not be met by Council.

**4.7 Provision of facilities, equipment and services**

Council will supply Councillors with an appropriate tablet device (iPad) for Council business, data will be managed as per this Policy.

Council will supply Council business cards, badges, ties, scarves, name tags and appropriate stationary to support Councillors in their functions and responsibilities and in the representation and promotion of Uralla Shire Council and its community.

Council will provide a Councillor with a non-dedicated vehicle for use related to their civic duties, or reimburse them in accordance with travel provisions within this Policy for the use of their own vehicle. Any non-incident private use of a Council vehicle during its availability to a Councillor will be recorded by the Councillor and reimbursed at the rate of 15 cents per kilometre.

Council will provide Councillors with meals and refreshments in relation to meetings for Council business.

Council will provide Councillors with protective clothing where required in the carrying out of their functions and responsibilities.

Council will provide administrative support and service to the Councillors as required through the General Manager's Office, which enables them to appropriately carry out their functions and responsibilities. Council will not provide any support or assistance in relation to a Councillor's election or candidacy.

Council will provide for the Mayor's use in discharging his/her duties, functions and responsibilities an appropriately furnished office, and any necessary office equipment.

#### 4.8 Time limit for payment of fees and expenses

A reimbursement of expenses is to be claimed within 60 days of the expense being incurred unless the Council, by resolution, determines that special circumstances exist. In this situation, a claim would need to be submitted within 60 days of the decision of Council.

#### 4.9 Approval and Dispute Resolution Process

Councillors are required to complete a claim for expenses incurred in the carrying out of Official Business or attending Council Events as set out in Appendix A. Should there be a dispute on the claiming of expenses, this is to be initially determined by the General Manager and Mayor. If the dispute is unresolved, then a determination is to be made at a full meeting of Council.

#### 4.10 Payment reimbursement

Payment of reimbursement to Councillors will be via direct deposit to their nominated bank account in the next available payment run.

#### 4.11 Maintenance and return of facilities and equipment

All equipment listed in this Policy is issued to Councillors on the basis that they agree to keep it in good condition while it is in their care and to promptly return it to Council either on request or when they cease to hold office.

If the equipment is not required by Council and is not held under lease at the cessation of their duties then Councillors may purchase their Council equipment from Council, at the higher of its market value and its written down value

#### 4.12 Superannuation

At its Ordinary Council meeting held on 22 March 2022 Council resolved that *That the Mayor and Councillors be paid superannuation commencing 1 July 2022, and the Mayor and Councillors' remuneration be reduced by the amount of superannuation contributions made on the condition that Councillors' details are supplied.* (Resolution Number 18.03/22)

The Mayor and/or individual Councillors will only be paid superannuation if they provide their superannuation account details to Council, otherwise arrangements which took place prior to 1 July 2022 will continue.

#### 4.13 Reporting Provisions

Section 428 of the *Local Government Act 1993* requires Council to report the following in its Annual Report:

- The amount of money expended during the financial year on Councillor and Mayoral fees;

- A statement of the total amount expended during the year on the provision of facilities and the payment of expenses for each Councillor;
- The Council's Policy for the payment of expenses and provision of facilities to Councillors; and
- Any other additional items that are identified as being in the public interest, from time to time.

## **5. LEGISLATIVE AND STRATEGIC CONTEXT**

Section 252 of the *Local Government Act 1993* requires Council to adopt a Policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the Mayor, Deputy Mayor and Councillors in relation to discharging the functions of civic office. The Policy must be adopted within the first 12 months of each term of a council, and may be amended from time to time.



6. APPENDIX A

**URALLA SHIRE COUNCIL CLAIM FORM**

**COUNCILLOR'S TRAVEL, ACCOMMODATION AND OTHER EXPENSES FOR THE MONTH OF .....**

I hereby present a claim for official expenses incurred by me in carrying out my duties as a Councillor. Documents are attached to support my claim for accommodation and other expenses.

Name: ..... Signed: ..... Date: .....

DATE	ACTIVITY	DISTANCE TRAVELLED	VEHICLE ENGINE CAPACITY		TRAVEL, ACCOMMODATION AND OTHER EXPENSES
			<small>Please tick <input checked="" type="checkbox"/> appropriate column</small> Under 2.5 Litres .65cents/km	Over 2.5 Litres .78cents/km	
		.....km = \$			
		.....km = \$			
		.....km = \$			
		.....km = \$			
		.....km = \$			
		.....km = \$			
		.....km = \$			
		.....km = \$			

**APPROVED FOR PAYMENT**

**TOTAL \$.....**

.....

**DATE:**.....

**GL:**.....

*(Councillors to provide details in full)*

**7. APPENDIX B**

<b>Maximum Amounts Payable - Councillors' Expenses and Facilities</b>		
<b>Expense or Facility</b>	<b>Maximum Amount</b>	<b>Frequency</b>
<b>Accommodation and meals</b>	As per the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009, adjusted annually	Per meal/night
<b>Carer Expenses</b>	\$1,500.00	Per year
<b>Conferences and seminars</b>	Overall limit set by Council's annual Budget	Per year
<b>Furnished office</b>	Provided to the Mayor	Not Applicable
<b>Legal expenses</b>	\$1,500.00	Per year
<b>Training and professional development</b>	Overall limit by Council's annual Budget	Per year