

# *Council Policy*

## Council Member Allowances & Support



# COUNCIL POLICY



## COUNCIL MEMBER ALLOWANCES AND SUPPORT

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<b>Other Relevant Policies:</b>	Council Member Conduct Policy Code of Practice for Meeting Procedures Council Member Training & Development Policy
<b>Relevant Procedure(s):</b>	None
<b>Relevant Legislation:</b>	<i>Local Government Act 1999</i> <i>Local Government (Members Allowances and Benefits) Regulations 2010</i>
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# COUNCIL MEMBER ALLOWANCE AND BENEFITS POLICY

## 1. INTRODUCTION

Adelaide Hills Council will ensure that the payment of Council Members' allowances, the reimbursement of expenses and the provision of benefits by the Council is accountable and transparent and in accordance with the *Local Government Act 1999* ("the LG Act") and the *Local Government (Members Allowances and Benefits) Regulations 2010* ("the Regulations").

This Policy sets out the provisions of the LG Act and Regulations in respect of Council Member allowances, expenses and support. This Policy is also provided in accordance with Section 77(1)(b) of the LG Act by specifying the types of expenses that will be reimbursed without the need for specific approval of Council every time a claim is made.

Council Members are paid an allowance for performing and discharging their functions and duties on Council. Section 59 of the LG Act provides (in part) that the role of a Council Member, as a member of the governing body of the Council, is to:

- (i) participate in the deliberations and civic activities of the Council;
- (ii) keep the Council's objectives and policies under review to ensure that they are appropriate and effective; and
- (iii) keep the Council's resource allocation, expenditure and activities, and the efficiency and effectiveness of its service delivery, under review.

This Policy also explains the information that must be recorded within the Council's Register of Allowances and Benefits to ensure compliance with section 79 of the LG Act.

This Policy, in its entirety, will automatically lapse at the next general election of this Council, which is 11 November 2022.

## 2. POLICY OBJECTIVE

To ensure Council Member allowances, the reimbursement of expenses and the provision of benefits, facilities and support by the Council are compliant with the *Local Government Act 1999* and *Local Government (Members Allowances and Benefits) Regulations 2010*.

## 3. SCOPE & RESPONSIBILITIES

This Policy applies to all Council Members, who each have an obligation to abide by this Policy.

The Council's Chief Executive Officer has the duty to:

1. maintain the Register of Allowances and Benefits;
2. initiate a Consumer Price Index ('CPI') review of allowances paid to Council Members (to be adjusted on the first, second and third anniversaries of the relevant periodic elections to reflect changes in the CPI under the scheme prescribed by the Regulations); and
3. ensure copies of this Policy are available for inspection by the public at the principal office of the Council.

In addition, the Chief Executive Officer is responsible for:

4. implementing and monitoring expense reimbursement procedures in accordance with the LG Act, the Regulations this Policy; and
5. ensuring a copy of this Policy is provided to all Council Members.

The Council Member Allowances and Support Policy has primacy over any other Council policies regarding allowances and/or benefits payable to Council Members. Those policies will be invalid to the extent that they are inconsistent with the provisions of this Policy.

#### **4. POLICY STATEMENT**

This Policy is underpinned by the following principles:

- a) Council Members should not be out-of-pocket as a result of performing and discharging their Council functions and duties.
- b) To assist Council Members in performing or discharging their official functions and duties they are entitled to be provided with a range of necessary facilities and support and to be reimbursed for expenses as specified in this policy.
- c) Any reimbursements claimed by Council Members must be for expenses actually and necessarily incurred in performing and discharging their official Council functions and duties, which will be assessed according to the role of a Council Member under the LG Act.
- d) Council encourages continued professional training and development for Council Members. This is seen as being necessary in terms of good governance and to the improved performance of their functions and duties.
- e) The accountability of the Council to its community for the use of public monies.
- f) That the fees paid, civic expenses reimbursed and facilities and support provided to the Mayor, Deputy Mayor and Councillors are appropriate to the importance of the Office and are consistently applied and transparent.

#### **5. DEFINITIONS**

A '**prescribed committee**' means for the purposes of this determination, a committee that endures, irrespective of whether the council has assigned any particular work for the committee to perform and assists the council or provides advice to the council in any of the following areas or any combination thereof:

- Audit
- Chief Executive Officer performance review
- Corporate services
- Finance
- Governance
- Infrastructure and works
- Risk management
- Strategic planning and development

A '**prescribed meeting**' is defined under the Regulations to mean a meeting of the Council or Council committee, or an informal gathering, discussion, workshop, briefing, training course or similar activity which is directly or closely related to the performance or discharge of the roles or duties of the member.

A **'function or activity on the business of the Council'** includes the following official Council functions:

- Council-organised receptions, opening ceremonies, dinners, citizenship ceremonies, celebration events, remembrance ceremonies and official visits etc.;
- inspection of sites within the Council area which relate to current Council or Committee agenda items;
- meetings and functions of boards/committees to which the Council Member has been appointed by Council (unless it is a remunerated position);
- meetings related to the local government governance (i.e. ALGA, LGASA, LGFA, LGAMLS, LGAWCS, etc);
- meetings of community groups and organisations as an invited Council Member – but not to attend meetings of community groups or organisations when fulfilling the role as a member of the Board of any such community group or organisation.

An **'eligible journey'** means a journey (in either direction) between the principal place of residence, or a place of work, of a Council Member, and the place of a prescribed meeting.

## 6. ALLOWANCES

Council Member allowances are determined by the Remuneration Tribunal on a 4 yearly basis before the designated day in relation to each set of periodic elections held under the *Local Government (Elections) Act 1999*.

An allowance determined by the Remuneration Tribunal will take effect from the first ordinary meeting of the Council held after the conclusion of the relevant periodic election. Council Member allowances are to be adjusted on the first, second and third anniversaries of the relevant periodic elections to reflect changes in the Consumer Price Index ("CPI") under a scheme prescribed by the Regulations.

In accordance with regulation 4 of the Regulations, (and for the purposes of section 76 of the LG Act), an allowance may be paid in instalments up to 3 months in advance or 3 months in arrears of each month in respect of which an instalment is payable.

Council has determined that allowances will be paid monthly in arrears.

The annual allowance for a Council Member is determined according to the relevant Council group. There are six Council Groups which are each explained within the determination of the Remuneration Tribunal. The annual allowance for:

- principal members, is equal to four times the annual allowances for Council Members of that council;
- deputy mayor or deputy chairperson or a Council Member who is the presiding member of one or more prescribed committees is equal to one and a quarter (1.25) times the annual allowances for Council Members of that Council;

An additional allowance in the form of a sitting fee is also payable for Councillors who are presiding members of other Section 41 committees (who are not deputy mayors, deputy chairpersons or presiding members of prescribed committees).

A member of a council who holds office for part only of the period in respect of which an allowance is payable is entitled to the proportion of the allowance that the period for which the member held the office bears to the total period (section 76(11) of the LG Act).

An allowance under this section is to be paid in accordance with any requirement set out in the Regulations (unless the member declines to accept payment of an allowance section 76(12) of the LG Act).

Council Members finishing their term of office should receive their allowances until their term expires – this is at the conclusion of the elections (i.e. when the Electoral Commissioner of South Australia makes the final declaration of the results of the elections).

## **7. PRESCRIBED (MANDATORY) REIMBURSEMENTS (SECTION 77(1)(a))**

Section 77(1)(a) of the LG Act provides that a Council Member is entitled to receive reimbursement of expenses of the kind prescribed in the Regulations incurred in performing or discharging official functions and duties related to ‘prescribed meetings’.

### **7.1 Travel**

Council Members are entitled to receive reimbursement for travelling expenses actually and necessarily incurred by the Council Member for travel within the Council area and associated with attendance at a “prescribed meeting” (section 77(1)(a) of the LG Act).

The following conditions apply to these reimbursements:

- a) reimbursement for travel expenses is restricted to ‘eligible journeys’ (as defined in Regulation 3) provided the journey is by the shortest or most practicable route and to that part of the journey within the Council area (i.e. any travelling outside the Council area in order to attend Council or Council committee meetings is not reimbursable under section 77(1)(a) of the LG Act. For reimbursement for travel outside the Council area refer to “Council Approved Reimbursements” below).
- b) where a Council Member travels by private motor vehicle, the rate of reimbursement is at a rate equal to the appropriate rate per kilometre prescribed for the purposes of calculating deductions for car expenses under section 28.25 of the *Income Tax Assessment Act 1997* of the Commonwealth.
- c) travelling by taxi, bus or other means of public transport is reimbursed on the basis of expenses ‘actually and necessarily incurred’, but is still limited to ‘eligible journeys’ by the shortest or most practicable route and to the part of the journey that is within the Council area.
- d) the Council may aggregate claims for reimbursement of expenses that relate to journeys that do not exceed 20 kilometres and then pay them on either a quarterly or monthly basis.
- e) claims for accident damage to Council Member’s private vehicles will not be met by Council, however Council will reimburse the insurance excess.

### **7.2 Child/Dependent Care**

Council Members are entitled to reimbursement for child/dependant care expenses actually or necessarily incurred by the Council Member as a consequence of the Council Member’s attendance at a prescribed meeting. Child/dependant care is not reimbursed if the care is provided by a person who ordinarily resides with the Council Member.

## 8. TRAVEL TIME PAYMENT

Pursuant to the determination made by the Remuneration Tribunal, Council Members (excluding Principal Members) of non-metropolitan Councils (which includes the Adelaide Hills Council) are eligible for payment for a travel time payment where the Council Member's:

- a) usual place of residence is within the relevant Council area and is located **at least 30kms but less than 50km** distance from their Council's principal office, via the nearest route by road - \$410 per annum
- b) usual place of residence is within the relevant Council area and is located **at least 50km but less than 75km** distance from their Council's principal office, via the nearest route by road - \$700 per annum;
- c) usual place of residence is within the relevant Council area and is located **at least 75km but less than 100km** distance from their Council's principal office, via the nearest route by road - \$1,050 per annum;
- d) usual place of residence is within the relevant Council area and is located **100km or more** distance from their Council's principal office, via the nearest route by road - \$1,490 per annum;

If eligible, this payment is made to a Council Member in addition to any entitlement to reimbursement of expenses incurred.

## 9. COUNCIL APPROVED REIMBURSEMENTS (SECTION 77(1)(b))

There are additional prescribed expenses incurred by Council Members, that can be reimbursed by the Council that do not fall within the category of mandatory reimbursement outlined above.

Section 77(1)(b) of the LG Act provides that the Council (meaning the Council as the governing body) may approve the reimbursement of additional expenses as set out in the Regulations incurred by Council Members, either on a case-by-case basis or under a policy adopted by Council. This Policy sets out the types of approved expenses that may be reimbursed.

These additional types of reimbursed expenses are distinguished from the payment of allowances and from the mandatory reimbursement of travel and child/dependant care expenses associated with attendance at a prescribed meeting.

Regulation 6 of the Regulations sets out the types of additional expenses that may be reimbursed under section 77(1)(b) with the approval of the Council. These are:

- a) an expense incurred in the use of a telephone, facsimile or other telecommunications device, or in the use of a form of electronic communication, on the business of the Council;
- b) travelling expenses incurred by the Council Member as a consequence of the Member's attendance at a function or activity on the business of the Council (other than for which the member is reimbursed under section 77(1)(a) of the LG Act);
- c) travelling expenses incurred by the Member in undertaking an eligible journey to the extent that those expenses are attributable to travel outside the area of the Council;
- d) expenses for the care of:
  - (i) a child of the Member; or
  - (ii) a dependant of the Member requiring full-time care

incurred by the Member as a consequence of the Member's attendance at a function or activity on the business of the Council (other than for which the member is reimbursed under section 77(1)(a) of the LG Act); and

- e) expenses incurred by the Member as a consequence of the Member's attendance at a conference, seminar, training course or other similar activity which is directly or closely related to the performance or discharge of the roles and duties of a Council Member (other than for which the member is reimbursed under section 77(1)(a) of the LG Act).

For the purposes of this Policy, and pursuant to section 77(1)(b) of the LG Act, the Council approves the reimbursement of additional expenses of Council Members as described below.

### **9.1 Telecommunications**

Pursuant to section 77(1)(b) of the LG Act the Council approves reimbursement of expenses incurred in the use of a telephone on the business of the Council. The following conditions apply to these expenses:

- a) Home phone costs will be considered for reimbursement on production of itemised accounts for call charges only. Line rental fees are specifically excluded.
- b) Mobile phone plan costs will be considered for reimbursement up to the value of the Council's Standard Monthly Plan on production of evidence of the expense. This reimbursement cannot be claimed if the Council Member is the recipient of a Mobile Phone under clause 10(d) of this Policy.

### **9.2 Travel**

Pursuant to section 77(1)(b) of the LG Act the Council approves reimbursement of expenses incurred in travelling to a function or activity on Council business. The following conditions apply to these expenses:

- a) travel both within and outside the Council area must be incurred by the Council Member as a consequence of attendance at a function or activity on the business of Council;
- b) reimbursement is restricted to the shortest or most practicable route;
- c) Council Members are encouraged to actively pursue cost-saving measure such as car-pooling;
- d) where a Council Member travels by private motor vehicle, the rate of reimbursement is at a rate equal to the appropriate rate per kilometre (determined according to the engine capacity of the vehicle) prescribed for the purposes of calculating deductions for car expenses under section 28.25 of the Income Tax Assessment Act 1997 of the Commonwealth;
- e) car parking fees will be reimbursed (where they are a consequence of a Council Member attending a function or activity on the business of the Council);
- f) travel by taxi, bus, plane or other means of public transport will be reimbursed on the basis of being expenses where they are incurred as a consequence of the Member's attendance at a function or activity on the business of the Council however such travel must still be by the shortest or most practicable route;
- g) where the cost of the travel for a return trip to a function or activity is anticipated to be in excess of \$500, prior approval of the Chief Executive Officer will be required;
- h) the Council may aggregate claims for reimbursement of expenses that relate to journeys that do not exceed 20 kilometres and then pay them on either a quarterly or monthly basis;
- i) claims for accident damage to Council Member's private vehicles will not be met by Council however Council will reimburse the insurance excess.

### 9.3 Child/Dependant Care

Pursuant to section 77(1)(b) of the LG Act the Council approves reimbursement of expenses incurred for the care of a child of a Council Member or a dependant of the Council Member requiring full time care as a consequence of the Council Member's attendance at a function or activity on the business of Council (other than expenses for which the Member is reimbursed under section 77 (1)(a) of the LG Act). The following conditions apply to these expenses:

- Child/dependant care is not reimbursed if the care is provided by a person who ordinarily resides with the Council Member.

### 9.4 Professional Development, Seminars and Conferences

Pursuant to section 77(1)(b) of the LG Act the Council approves reimbursement of expenses incurred in the attendance of professional development, seminars or conferences. The following conditions apply to these expenses:

- Expenses will only be reimbursed for attendance at professional development, conferences, seminars, etc. which have been approved under delegation/policy, e.g. under the Council Member Training and Development Policy.
- Expenses will normally be restricted to:
  - **Registration** – course/seminar/conference registration fees including official luncheons, dinners and tours relevant to the conference;
  - **Travel** – see clause 10.3 of this Policy;
  - **Meals** – Council will meet the cost of main meals for Council members where any of these meals are not provided as part of the conference.
  - **Accommodation** – delegates will be accommodated in the hotel where the conference, seminar or training course is held or another nearby hotel of a suitable standard. Council will provide financial support for accommodation of a suitable standard, at the rate of a private room, for each Council member attending.
- For clarity, Council will not meet the cost of:
  - laundry or dry cleaning expenses;
  - any tips or gratuities paid by Council Members;
  - expenses incurred for the use of a bar fridge provided in a hotel room;
  - any expenses for alcoholic beverages incurred at bars (including the bar located at the hotel); and
  - any expense incurred by any person accompanying a Member at any conference, seminar or training course.

## **10. FACILITIES AND SUPPORT**

### **10.1 Council Members**

In addition to allowances and the reimbursement of expenses, the LG Act provides that the Council can provide facilities and forms of support for use by its Council Members to assist them to perform or discharge their official functions and duties (section 78).

The Council must consider and specifically approve the particular facility and support as necessary or expedient to the performance or discharge of all Council Members' official functions or duties. In approving the provision of facilities and support section 78 requires that any such services and facilities must be made available to all Council Members on a uniform basis, other than those facilities or support specifically provided to the Principal Member set out below (if any).

Pursuant to section 78 of the LG Act, Council has considered and is satisfied that the following facilities and support are necessary or expedient for all Council Members to assist them in performing or discharging their official functions and duties:

- a) iPads (or similar tablet computer device) will be provided subject to compliance with the terms and conditions contained in the Usage Agreement, which must be signed prior to the issuing of the device.
- b) Internet access via a 4G connection provided with Council Member's iPads.
- c) A Council email address for Council business which should not be used for personal business. Email access to be via the 4G connection on Council Members iPads. Note: Email access can be made via a standard home internet connection, however, Council will not reimburse Council Members for the cost of this internet connection.
- d) Mobile Phones (including SIM) will be provided subject to compliance with the terms and conditions contained in the Usage Agreement, which must be signed prior to the issuing of the device.
- e) Reams of paper for printing.
- f) Stationery (such as pads, pens, diaries, etc).
- g) Meals and beverages provided in association with attendance at 'prescribed meetings'.
- h) Photocopying at a Council Service Centre (not to be used for distributing copies of documents to community members)
- i) Access to Council meeting facilities (to be booked in advance at the respective Council Service or Community Centre).

The provision of these facilities and support are made available to all Council Members (including the Principal Member) under the LG Act on the following basis:

- they are necessary or expedient for the Council member to perform or discharge his/her official functions or duties; and
- the facilities remain the Council's property regardless of whether they are used off site or not.

### **10.2 Principal Member**

In addition to the above, Council has resolved to make available to the Principal Member (and to any acting Principal Member appointed during the Principal Member's absence) the following additional facilities and support to assist them in performing and discharging their official functions and duties:

- a) a laptop computer with appropriate software;
- b) Council will supply and maintain a motor vehicle for Council business use by the Mayor;
- c) a Mayoral Office accessible 24/7 providing desk and meeting facilities;
- d) provision of media and communications support and
- e) access to administrative officer services.

In addition, although not required by the LG Act, the Council has determined that the provision of the above facilities and support are made available to Council Members on the following terms:

- each Council Member is solely responsible for those facilities released into their care and/or control for the duration of their term in office;
- all facilities must be returned to the Council at the end of each term in office, upon the office of a Member of a Council becoming vacant, or earlier at the request of the Chief Executive Officer;
- if the facilities provided to the Council Member are damaged or lost the Council Member must lodge a written report with the Council officer responsible for this Policy.
- Council Members may be held responsible for loss/damage of facilities in the absence of a satisfactory explanation.

The use of Council facilities, support and/or services by Council Members for campaign or election purposes is not permitted under any circumstances on the basis it is not necessary or expedient to the performance or discharge of a Council Member's official functions or duties under the LG Act. The use of such facilities for electoral purposes during the election period would be a breach of section 78(3) of the LG Act.

## **11. OTHER REIMBURSEMENTS**

Any additional reimbursements and facilities and support not detailed in this Policy will require the specific approval of Council prior to any reimbursements being paid, benefits being received and facilities and/or support being provided.

## **12. INSURANCE OF MEMBERS (SECTION 80)**

Council will take out policies of insurance insuring every Council Member and a spouse, domestic partner or another person who may be accompanying Council Member, against risk associated with the performance or discharge of official functions or duties by members.

## **13. CLAIMS FOR REIMBURSEMENT**

Reimbursements are to be claimed using the Council Member Expense Claim Form and submitting to the CEO's Office with relevant receipts and invoices, no later than 3 months after the expenses are incurred, and by the first week in July each year.

#### **14. DISPUTE RESOLUTION/APPEAL PROCESS**

In the event that a Council Member disputes a payment, a panel consisting of the Mayor, Deputy Mayor (in circumstances where the mayor or Deputy Mayor is the complainant, they will not form part of the panel) and Chief Executive Officer will make a final determination on the reimbursement of expenses for official duties. Decisions of this panel, which must be by consensus, shall be final.

#### **15. REGISTER OF ALLOWANCES AND BENEFITS**

Pursuant to section 79(1) and (2) of the LG Act, the Chief Executive Officer must maintain a Register in which he or she shall ensure that a record is kept of:

- a) the annual allowance payable to a Council Member (in the case of section 79 (1)(a)); and
- b) details of any expenses reimbursed under section 77(1)(b) of the LG Act (in the case of section 79(1)(b)); and
- c) details of other benefits paid or provided for the benefit of the Member by the Council (in the case of section 79(1)(c)); or
- d) to make a record of the provision of a reimbursement or benefit not previously recorded in the Register (in the case of section 79(2)(b)),

on a quarterly basis (see regulation 7 of the Regulations).

Reimbursements paid under section 77(1)(a) of the LG Act are not required to be recorded in the Register, however Council has taken the position that all reimbursements will be recorded in the register.

The Chief Executive Officer is required to record in the Register any changes in the allowance or a benefit payable to, or provided for the benefit of, Council Members. Accordingly, the Chief Executive Officer will update the Register each quarter.

The Register of Allowances and Benefits is available for inspection by members of the public, free of charge, at the Council's office during ordinary business hours. Copies or extracts of the Register are available for purchase upon payment of a fixed fee. The policy is also available on Council's website [www.ahc.sa.gov.au](http://www.ahc.sa.gov.au).

#### **16. REVIEW AND EVALUATION**

Council Member allowances are determined by the Remuneration Tribunal on a 4 yearly basis.

This Policy will lapse at the next general election at which time the newly elected Council will be required to adopt a new policy dealing with Council Member's allowances, reimbursements and benefits for their term in office (section 77(2) LG Act).

**17. DELEGATION**

The Chief Executive Officer has the delegation to:

- Approve, amend and review any procedures that shall be consistent with this Policy; and
- Make any formatting, nomenclature or other minor changes to the Policy during the period of its currency.

**18. AVAILABILITY OF THE COUNCIL MEMBERS' ALLOWANCES AND SUPPORT POLICY**

This Policy will be available for inspection at the Council's Offices during ordinary business hours and via the Council's website [www.ahc.sa.gov.au](http://www.ahc.sa.gov.au). Copies will also be provided to the public upon request, and upon payment of a fee in accordance with the Council's Schedule of Fees and Charges.