

STRATEGY AND POLICY REVIEW COMMITTEE
6 APRIL 2009 **GOVERNANCE AND COMPLIANCE**

A6	REVIEW OF THE COUNCILLOR SUPPORT AND EXPENSE REIMBURSEMENT POLICY
LOCATION/ADDRESS:	N/A
EXECUTIVE DIRECTOR:	SALLY CALDER EXECUTIVE DIRECTOR ORGANISATION SYSTEMS & SUPPORT
PREPARED BY:	NORM MCCLELLAND GOVERNANCE ADVISOR
FILE NO.:	
ATTACHMENTS:	DRAFT COUNCILLOR SUPPORT AND EXPENSE REIMBURSEMENT POLICY

1. PURPOSE

- 1.1. Council is requested to:
- 1.1.1. review, and amend if required, the draft Councillor Support and Expense Reimbursement Policy (attached); and
 - 1.1.2. adopt the policy to comply with the requirements of the *Local Government Act 1989* (the Act).

2. RECOMMENDATION

- 2.1. That the Strategy and Policy Review Committee recommend to Council:
- 2.1.1. to adopt the attached Councillor Support and Expense Reimbursement Policy containing issues relating to reimbursement or payment of reasonable, bona fide, out-of-pocket expenses incurred by Councillors in the performance of their official duties; and
 - 2.1.2. that this policy continue to have effect until amended by the Council or reviewed after the next Council general election by the new Council prior to 30 June 2013.

3. BACKGROUND AND CONTEXT

- 3.1. Council must reimburse Councillors for reasonable, bona fide, out-of-pocket expenses incurred in the performance of their official duties. The reimbursements are required by section 75(1) of the Act. Furthermore, in accordance with section 75A of the Act, Council may reimburse members of Council committees for necessary out-of-pocket expenses incurred while performing duties as a committee member.

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 6 APRIL 2009
GOVERNANCE AND COMPLIANCE

- 3.2. Section 75B(1) of the Act requires Councils to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors and members of Council committees.
- 3.3. In July 2005, Council adopted a Councillor Expense Entitlement Policy and resolved that the policy must be reviewed by the new Council by 30 June after every Council general election.
- 3.4. In 2008 the State Government released a *Policy Statement on Local Government Mayoral and Councillor Allowances and Resources (April 2008)* and an *Information Guide on Mayor and Councillor Entitlements (November 2008)*. These guides prescribe the following as a minimum toolkit for expenses, support and resources for Councillors:
- “Resources/facilities mandatory:
- Administrative support for the Mayor
 - Office for Mayor
 - Vehicle for Mayor
 - Computer - desktop or laptop
 - Mobile phone and landline
 - Stationery
 - Access to fax/copier
 - Website development as part of Council website
- “Reimbursement:
- Travel - including reimbursement of public transport costs
 - Phone - reimbursement of relevant call costs
 - Internet
 - Child care/family care
- “And that as a matter for Council determination the following be considered:
- Access to pool car for Councillors
 - Office space and furniture”
- 3.5. The attached draft policy encapsulates all of the above requirements from the Policy Statement and Information Guide.
- 3.6. The policy is divided into two sections. Part A of the policy addresses how Councillors will generally be supported and outlines the:
- 3.6.1. reimbursement processes for travel expenses;
 - 3.6.2. details regarding provision of a Mayoral vehicle;
 - 3.6.3. conditions relating to the provision of stationery;
 - 3.6.4. conditions relating to attendance at conferences and access to professional development and training;
 - 3.6.5. conditions relating to reimbursement of child care expenses; and
 - 3.6.6. details of communications equipment, computers and accessories to be provided.
- 3.7. Part B of the policy deals with reimbursements of travel expenses to members of Council committees.

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 6 APRIL 2009
GOVERNANCE AND COMPLIANCE

- 3.8. In the past, the quantum of reimbursements to Councillors is determined in Council's annual budget process. For example, for councillor training and conferences there has previously been set aside \$5K per councillor and \$8K for the mayor.
- 3.9. The policy is designed to ultimately assist Councillors to perform their duties as well as possible. This is in the best interests of the Port Phillip Community.

4. CONSULTATION AND STAKEHOLDERS

- 4.1. The contents of the Council policy have been determined by the requirements of the Act, the State Government Policy Statement on Local Government Mayoral and Councillor Allowances and Resources (April 2008) and the Information Guide on Mayor and Councillor Entitlements (November 2008).

5. DISCUSSION

5.1. OPTIONS

5.1.1. Council can either:

5.1.1.1. adopt the Councillor Support and Expense Reimbursement Policy in the form attached to this report; or

5.1.1.2. amend the policy within the requirements of section 75 of the Act and within the guidelines contained in the Policy Statement on Local Government Mayoral and Councillor Allowances and Resources (April 2008) and the Information Guide on Mayor and Councillor Entitlements (November 2008).

5.2. POLICY IMPLICATIONS

5.2.1. It is intended that adoption of the attached policy would revoke the policy adopted by Council on 25 July 2005. The new policy would be operative from the date adopted by Council.

5.3. FINANCE / RESOURCE IMPLICATIONS

5.3.1. The resource implications will be determined each year during the budget process. The proposed policy does not apply financial limits, but puts in place parameters to determine the eligibility of claiming particular expenditures.

5.4. LEGAL & RISK IMPLICATIONS

5.4.1. Section 75B(1) of the Act requires Council to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors and members of Council committees. If a policy is not adopted Council may be in breach of the legislation.

5.5. SUSTAINABILITY ASSESSMENT

SOCIAL EQUITY

5.5.1. The reimbursement and payment of Councillor expenses assists Councillors to carry out their role and properly perform their duties.

ECONOMIC VIABILITY

- 5.5.2. The cost of support for Councillors to assist them in the performance of their duties is a very small proportion of the overall annual Council budget.

ENVIRONMENTAL RESPONSIBILITY

- 5.5.3. The reimbursement and payment of Councillor expenses has no direct environmental impact, however, the reimbursements and payments provide support to the Councillors in their role to provide leadership on environmental matters.

CULTURAL VITALITY

- 5.5.4. Councillors play an important role in contributing to cultural vitality. Reimbursement and payment of reasonable expenses supports Councillors in their duties.

6. IMPLEMENTATION STRATEGY

- 6.1. Once Council adopts the policy, Councillors can continue to access support to assist them undertake their duties and responsibilities.