

**ORDINARY COUNCIL MEETING  
10 AUGUST 2009**

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<b>1.</b>	<b>COUNCILLOR GIFT AND HOSPITALITY POLICY AND SUPPORT &amp; EXPENSE REIMBURSEMENT POLICY</b>
<b>LOCATION/ADDRESS:</b>	<b>N/A</b>
<b>EXECUTIVE DIRECTOR:</b>	<b>CATHY HENDERSON, ACTING EXECUTIVE DIRECTOR ORGANISATION SYSTEMS &amp; SUPPORT</b>
<b>PREPARED BY:</b>	<b>NORM MCCLELLAND, GOVERNANCE ADVISOR</b>
<b>FILE NO.:</b>	<b>18/04/61</b>
<b>ATTACHMENTS:</b>	<b>1. DRAFT COUNCILLOR GIFT &amp; HOSPITALITY POLICY  2. DRAFT COUNCILLOR SUPPORT &amp; EXPENSE REIMBURSEMENT POLICY</b>

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**1. EXECUTIVE SUMMARY**

- 1.1 Councillors have requested that officers produce a Councillor Gift and Hospitality Policy for consideration by Council.
- 1.2 Attached is a new draft Councillor Gift and Hospitality Policy.
- 1.3 Minor amendments are also proposed to the Councillor Support and Expense Reimbursement Policy for consideration by Council.

**2. RECOMMENDATION**

That Council:

- 2.1 adopt the Councillor Gift and Hospitality Policy as attached.
- 2.2 adopt the amended Councillor Support and Expense Reimbursement Policy as attached.

**3. BACKGROUND AND CONTEXT**

- 3.1 The Ombudsman, in a report produced in March 2008, recommended that "Councils have clear rules on accepting gifts and hospitality". In response to this recommendation and a request from Councillors, a draft Councillor Gift and Hospitality Policy has been drafted for review and adoption by Council.
- 3.2 Council does not currently have a Councillor Gift and Hospitality Policy, although a policy does exist for staff.
- 3.3 It is proposed to amend the Councillor Support and Expense Reimbursement Policy to allow for reasonable personal use of Council equipment provided to Councillors.

4. CONSULTATION AND STAKEHOLDERS

- 4.1 The draft Councillor Gift and Hospitality Policy has been influenced by information provided by the Municipal Association of Victoria and from legal advice sought by Council.

5. DISCUSSION

5.1 OPTIONS

- 5.1.1 Council has determined to develop a Councillor Gift and Hospitality Policy as the Council has never had such a policy before.
- 5.1.2 Council may include in a Gift and Hospitality Policy any matters that it considers to be appropriate and relevant to dealing with an offer/receipt of a gift or hospitality.
- 5.1.3 The draft Policy:
- 5.1.3.1 states that Councillors must not accept or solicit personal gifts of any kind;
  - 5.1.3.2 requires any gift accepted by a Councillor on behalf of Council to be a corporate gift and will not belong to the Councillor;
  - 5.1.3.3 requires the Chief Executive Officer to determine whether a corporate gift will be retained or returned;
  - 5.1.3.4 establishes conditions by which a corporate gift will be accepted;
  - 5.1.3.5 requires Councillors to determine if they will accept or decline hospitality;
  - 5.1.3.6 establishes matters for Councillors to consider before accepting or declining offers of hospitality; and
  - 5.1.3.7 sets out the process for reporting gifts and hospitality.
- 5.1.4 Council can adopt the draft Councillor Gift and Hospitality Policy attached to this report, or it can make amendments as required.
- 5.1.5 The Act requires Councils to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. Port Phillip adopted such a policy, the "Councillor Support and Expense Reimbursement Policy", on 27 April 2009. It is proposed to make minor amendments be made to the existing policy.
- 5.1.6 The proposed amendments are:
- 5.1.6.1 to allow for "**reasonable personal use of the equipment**" supplied to Councillors (see clause 3.6.1 on page 5 of attachment 2).
  - 5.1.6.2 to amend clause 5.1 on page 6 to read "**Council resources must not be used for the purposes of election campaigning for Councillors**".
- 5.1.7 Councillors are requested to assess these amendments and adopt the amendments to the existing Councillor Support and Expense Reimbursement Policy if deemed appropriate.

**5.2 ALIGNMENT TO COUNCIL PLAN**

5.2.1 The policies attached to this report are consistent with Council's key direction of "Engaging and governing the City" as contained in Council's 2009 – 2013 Council Plan. The Plan, under strategy 1.2.1, commits to "promote a culture of good governance".

**5.3 POLICY IMPLICATIONS**

5.3.1 The Councillor Gift and Hospitality Policy is a new policy and will be operable once it is adopted by Council.

5.3.2 Council adopted the Councillor Support and Expense Reimbursement Policy in April 2009, adoption of the proposed amendments will replace the policy adopted in April.

**5.4 FINANCE / RESOURCE IMPLICATIONS**

5.4.1 Development of the Councillor Gift and Hospitality Policy will not result in any direct financial implications.

5.4.2 The proposed changes to the Councillor Support and Expense Reimbursement Policy will have minimal budgetary impact.

**5.5 LEGAL & RISK IMPLICATIONS**

5.5.1 There is no legislative requirement for Council to have a Councillor Gift and Hospitality Policy, however the Ombudsman has recommended that all Councils should have clear rules on accepting gifts or hospitality. The attached draft policy addresses the Ombudsman's recommendation, as well as, supports open and transparent government.

5.5.2 The Local Government Act 1989 requires Council to have a Councillor Support and Expense Reimbursement Policy. Council is able to amend this policy at any time.

**6. IMPLEMENTATION STRATEGY**

**6.1 TIMELINE**

6.1.1 The requirements within the Councillor Gift and Hospitality Policy and the Councillor Support and Expense Reimbursement Policy are operable once the policies are adopted by Council.

**6.2 COMMUNICATION**

6.2.1 N/A

**7. OFFICER DIRECT OR INDIRECT INTEREST**

7.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.