
CCL 24/05/2022 – PUBLIC EXHIBITION OF COUNCILLOR EXPENSES AND FACILITIES POLICY

- ITEM-42** **Page 2** **Attachment A:** Draft Councillor Expenses and Facilities Policy (May 2022) for Public Exhibition
- Page 25** **Attachment B:** Office of Local Government's Councillor Expenses and Facilities Policy – suggested template (June 2017)
- Page 41** **Attachment C:** Office of Local Government's Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW (October 2009)
- Page 76** **Attachment D:** City of Newcastle's Councillor Expenses and Facilities Policy (August 2018)

**CCL 24/05/2022 – PUBLIC EXHIBITION OF COUNCILLOR
EXPENSES AND FACILITIES POLICY**

ITEM-42 **Page 2** **Attachment A:** Draft Councillor Expenses and
Facilities Policy (May 2022) for Public
Exhibition

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Councillor Expenses and Facilities Policy – for public exhibition

May 2022

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City of
Newcastle

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INTRODUCTION

1 Background

- 1.1 The provision of expenses and facilities enables Councillors to fulfil their civic duties as the elected representatives of City of Newcastle (**CN**).
- 1.2 Expenses and facilities provided by this Policy are in addition to fees paid to Councillors, as set by Council and determined by the Local Government Remuneration Tribunal as per Section 241 of the *Local Government Act 1993* (Act) and reviewed annually.

2 Purpose

- 2.1 The purpose of this Policy is to:
 - a) Clearly state the facilities and support that are available to Councillors to assist them in fulfilling their civic duties;
 - b) Enable the reasonable and appropriate reimbursement of expenses incurred by the Lord Mayor and Councillors while undertaking their duties and civic functions;
 - c) Enable facilities of a reasonable and appropriate standard to be provided to the Lord Mayor and Councillors to support them in undertaking their civic duties;
 - d) Ensure accountability and transparency in reimbursement of expenses and provision of facilities to the Lord Mayor and Councillors;
 - e) Ensure the provision of expenses and facilities to the Lord Mayor and Councillors is in line with community expectations;
 - f) Support a diversity of representation on the Council;
 - g) Establish a process and framework for the approval of expenses by staff; and
 - h) Fulfil CN's statutory responsibilities under the Act and *Local Government (General) Regulation 2021* (NSW).

3 Principles

- 3.1 CN commits itself to the following principles:
 - a) **Accountability and transparency** – clearly stating and reporting on the expenses and facilities provided to Councillors.
 - b) **Appropriate use of resources** – providing clear direction on the appropriate use of council resources in accordance with legal requirements and community expectations.
 - c) **Equity** – there must be equitable access to expenses and facilities for all Councillors.
 - d) **Participation and access** – enabling people from diverse backgrounds, underrepresented groups, those in carer roles and those with special needs to serve as a Councillor.
 - e) **Proper conduct** – Councillors and staff acting lawfully and honestly, exercising care and diligence in carrying out their functions.
 - f) **Reasonable expenses** – providing for Councillors to be reimbursed for expenses reasonably incurred as part of their role as Councillor.

4 Private or political benefit

- 4.1 Councillors must not obtain private or political benefit from any expense or facility provided under this Policy.
- 4.2 Incidental private use of council equipment and facilities by Councillors may occur from time to time, and does not breach this Policy or CN's Code of Conduct.

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- 4.3 Such incidental private use does not require a compensatory payment back to CN.
 - 4.4 Councillors should avoid obtaining any greater private benefit from CN than an incidental benefit. Where there are unavoidable circumstances and more substantial private use of CN facilities does occur, Councillors must reimburse CN if an actual cost of the private use can be substantiated by CN (in accordance with s.252(2) of the Act).
 - 4.5 Campaigns for (re)election are considered to be a political benefit. The following are examples of what is considered to be a political interest during a (re)election campaign:
 - a) Production of material for a local, state or federal election;
 - b) Use of CN resources and equipment for campaigning;
 - c) Use of official CN letterhead, publications, websites or services for political benefit;
 - d) Fundraising activities of political parties or individuals, including political fundraising events.

EXPENSES

5 General expenses

- 5.1 All expenses provided under this Policy will be for a purpose specific to the functions of holding civic office. Allowances for general expenses are not permitted under this Policy.
- 5.2 Expenses not explicitly addressed in this Policy will not be paid or reimbursed.
- 5.3 CN will only pay up to the Maximum Limit for expenses incurred where detailed and provided for within this Policy.

6 Specific expenses

6a General travel arrangements and expenses

- 6.1 All travel by Councillors should be undertaken using the most direct route and the most practicable and economical mode of transport.
- 6.2 The Lord Mayor and each Councillor may be reimbursed up to the amount indicated at Item 1 in Annexure C of this Policy, for travel expenses incurred while undertaking Official Business or professional development (including attending approved conferences and seminars). This includes reimbursement of:
 - a) public transport fares;
 - b) the use of a private vehicle or hire car;
 - c) parking costs for CN and other meetings;
 - d) tolls;
 - e) Cabcharge card or equivalent;
 - f) documented ride-share programs, such as Uber, where tax invoices can be issued.
- 6.3 Allowances for the use of a private vehicle will be reimbursed by kilometre at the rate contained in the Local Government (State) Award.
- 6.4 Councillors seeking to be reimbursed for use of a private vehicle must keep a log book recording the date, distance and purpose of travel being claimed. Copies of the relevant log book contents must be provided with the claim.

6b Interstate, overseas and long distance intrastate travel expenses

- 6.5 Travel within Australia will be capped to the amount indicated at Item 1 in Annexure C of this Policy.
- 6.6 Councillors seeking approval for interstate and long distance intrastate travel must seek approval prior to travel in accordance with section 11.4A of this Policy.
- 6.7 Councillors seeking approval for overseas travel must submit a case to, and obtain the approval of the Council via resolution, seeking approval prior to travel. Overseas travel expenses for all Councillors will be paid in accordance with a resolution of the Council.
- 6.8 The case should include:
 - a) Objectives to be achieved in travel, including an explanation of how the travel aligns with current council priorities and business, the community benefits which will accrue as a result, and its relevance to the exercise of the Councillor's civic duties;
 - b) Who is to take part in the travel;
 - c) Duration and itinerary of travel;
 - d) A detailed budget including a statement of any amounts expected to be reimbursed by/to the participant/s.

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- 6.9 For interstate and long distance intrastate journeys by air of less than three hours, the class of air travel is to be economy class.
 - 6.10 For interstate and international journeys by air of more than three hours, the class of air travel may be premium economy.
 - 6.11 Bookings for approved overseas travel by Councillors is to be undertaken by the Legal Service Unit.
 - 6.12 For air travel that is reimbursed as CN business, Councillors will not accrue points from the airline's frequent flyer program. This is considered a private benefit.
 - 6.13 Subject to the approving resolution of Council, it is expected that within a reasonable period of returning from Official Business overseas, the Lord Mayor and/or Councillor will submit a report to, or briefing to, the Council outlining the relevance of the trip to CN and the local community. The CEO will determine the appropriate method for communicating the report to the Council and local community.

6c Travel expenses not paid by CN

- 6.14 CN will not pay any traffic or parking fines or administrative charges for road toll accounts. Toll charges incurred in official travel may be reimbursed.

6d Accommodation and meals

- 6.15 CN will reimburse costs for accommodation and meals while Councillors are undertaking prior approved travel for Official Business or professional development outside of the Newcastle area, in accordance with clause 6.2, on the condition that comparable professional development is not available within 50 kilometres of the Councillor's residence.
- 6.16 Accommodation standard is to be determined on best value and government rates should be utilised where possible. Generally, the accommodation standard is to be equivalent of 4 stars.
- 6.17 The daily limits for accommodation and meal expenses within Australia are to be consistent with those set out in Part B Monetary Rates of the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009, as adjusted annually.
- 6.18 The daily limits for accommodation and meal expenses outside Australia are to be determined by the CEO, being mindful of Clause 6.17 and any relevant ATO rates within Maximum Limits.

6e Refreshments for council related meetings

- 6.19 Appropriate refreshments will be available for council meetings, council committee meetings, briefings, approved meetings and engagements, and official council functions as approved by the CEO.
- 6.20 As an indicative guide for the standard of refreshments to be provided at council related meetings, the CEO must be mindful of Part B Monetary Rates of the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009, as adjusted annually.

6f Professional development

- 6.21 The Act requires Councillors to make reasonable efforts to acquire and maintain the skills necessary to perform the role of a Councillor. CN supports the training, education and ongoing Professional Development of the Lord Mayor and Councillors to ensure they develop and maintain the knowledge and skills required to undertake their roles and responsibilities effectively.

- 6.22 CN will provide up to the maximum limit in accordance with Item 3 in Annexure C of this Policy to facilitate professional development of Councillors through programs, training, education courses and membership of professional bodies.
- 6.23 In the first year of a new council term, CN will provide a comprehensive induction program for all Councillors which considers any guidelines issued by the Office of Local Government (OLG). The cost of the induction program will be in addition to the ongoing professional development funding.
- 6.24 Annual membership of professional bodies will only be covered where the membership is relevant to the exercise of the Councillor's civic duties, the Councillor actively participates in the body and the cost of membership is likely to be fully offset by savings from attending events as a member.
- 6.25 Approval for professional development activities is subject to a prior written request to the CEO outlining the:
- a) Details of the proposed professional development;
 - b) Relevance to CN priorities and business;
 - c) Relevance to the exercise of the Councillor's civic duties;
 - d) Benefit of the proposed professional development to CN and the Lord Mayor or Councillor;
 - e) Whether the professional development should be offered to all Councillors.
- 6.26 In assessing a Councillor request for a professional development activity, the CEO must consider the factors set out in Clause 6.26, as well as the cost of the professional development in relation to the Councillor's remaining budget.

6g Conferences and seminars

- 6.27 CN is committed to ensuring its Councillors are up to date with contemporary issues facing council and the community, and local government in NSW.
- 6.28 CN will provide up to the maximum limit in accordance with Item 4 of Annexure C of this Policy and facilitate Councillor attendance at conferences and seminars. This allocation is for all Councillors. The CEO will ensure that access to expenses relating to conferences and seminars is distributed equitably.
- 6.29 Approval to attend a conference or seminar is subject to a written request to CN. In assessing a Councillor's request, CN must consider factors including the:
- a) relevance of the topics and presenters to current council priorities and business and the exercise of the Councillor's civic duties
 - b) cost of the conference or seminar in relation to the total remaining budget.
- 6.30 CN will meet the reasonable cost of registration fees, transportation and accommodation associated with attendance at conferences approved by the CEO. CN will also meet the reasonable cost of meals when they are not included in the conference fees. Reimbursement for accommodation and meals not included in the conference fees will be subject to Clauses 6.18-6.21.
- 6.31 Expenses for an Accompanying Person will be paid, up to the amount indicated at Item 5 in Annexure C of this Policy, where it is considered appropriate for an Accompanying Person to attend Official Business.

6h Information and communications technology (ICT) expenses

- 6.32 CN will provide or reimburse Councillors for expenses associated with appropriate ICT expenses up to the amount indicated at Item 6 in Annexure C of this Policy per term for each Councillor. This may include mobile phones and tablets, and accessories.

6.33 CN will pay, up to the amount indicated at Item 6 in Annexure C of this Policy per year for each Councillor, the following expenses associated with the maintenance and operation of ICT devices and equipment provided in accordance with this Policy:

- a) Mobile phone call / SMS costs;
- b) Data package;
- c) Repairs or replacement.

6.34 Reimbursements for ICT expenses will be made only

6.35 in accordance with a Bring Your Own Device (BYOD) arrangement.

6.36 Councillors may seek reimbursement for applications on their mobile electronic communication device that are directly related to their duties as a Councillor, within the maximum limit.

6i Special requirement and carer expenses

6.37 CN encourages wide participation and interest in civic office. It will seek to ensure CN premises and associated facilities are accessible, including provision for sight or hearing impaired Councillors and those with other disabilities.

6.38 Transportation provisions outlined in this Policy will also assist Councillors who may be unable to drive a vehicle.

6.39 In addition to the provisions above, the CEO may authorise the provision of reasonable additional facilities and expenses in order to allow a Councillor with a disability to perform their civic duties.

6.40 Councillors who are the principal carer of a child or other elderly, disabled and/or sick immediate family member will be entitled to reimbursement of carer's expenses up to the amount indicated at Item 7 in Annexure C of this Policy for attendance at Official Business, plus reasonable travel to and from their principal place of residence.

6.41 Child carer expenses may be claimed for children up to and including the age of 16 years where the carer is not a relative.

6.42 CN will reimburse reasonable child carer expenses up to the Maximum Limit less any child care rebates or benefits paid by the Federal Government.

6.43 In the event of caring for an adult person, Councillors will need to provide suitable evidence to the CEO that reimbursement is applicable. This may take the form of advice from a medical practitioner.

6j Home office expenses

6.44 Each Councillor may be reimbursed up to the amount indicated at Item 8 in Annexure C of this Policy for costs associated with the maintenance of a home office, such as minor items of consumable stationery and printer ink cartridges.

6.45 The Lord Mayor (or designated official spokesperson) may be reimbursed up to the additional amount indicated at Item 8 in Annexure C of this Policy for costs associated with the maintenance of a home office.

6k Australian Institute of Company Directors course

6.46 CN will pay expenses, up to the limit at Item 9 in Annexure C of this Policy, to complete the Australian Institute of Company Directors (AICD) course (or equivalent type learning opportunity).

6.47 The expenses claimed must occur within the first two years of their first term as a Councillor.

- 6.48 Approval must be sought prior to enrolling in the AICD course in accordance with clause 11.4A. The Lord Mayor and Councillors are required to provide CN with evidence of successful completion of the course.
- 6.49 CN will seek reimbursement in accordance with clause 11.13, if the Lord Mayor or Councillor does not successfully complete the course, at the determination of the CEO.
- 6.50 Applications for payment of AICD annual fees must be submitted before renewal date to ensure sufficient budget is available, applications cannot be backdated.

6l Attendance at the Local Government NSW Annual Conference or the National General Assembly

- 6.51 CN will pay the following expenses, up to the limit at Item 10 in Annexure C of this Policy, for the Lord Mayor and nominated Councillors to attend the Local Government NSW Annual Conference or the National General Assembly:
- travel and accommodation costs in accordance with this Policy;
 - registration for the delegate; and
 - tickets to the official dinner for the delegate and the delegate's Accompanying Person.

6m Sitting Fees

- 6.52 Councillors may be appointed to sit on Boards of Management, Advisory Committees or Regional Panels as part of their duties as a Councillor.
- 6.53 For Councillors appointed to a Regional Planning Panel (the Hunter and Central Coast Regional Planning Panel):
- CN will pay up to the amount indicated at Item 11 in Annexure C of this Policy for remuneration for Councillor membership in accordance with advice from the Department of Planning and Environment.
 - CN will pay up to the meeting rate indicated at Item 11 in Annexure C of this Policy for business that is undertaken outside of meetings. These fees will be indexed annually.
 - The meeting rate at Item 11 in Annexure C of this Policy is inclusive of all work a panel member does for a meeting, including preparation, site visits, the meeting itself and any deliberation and voting by the panel on matters considered at the meeting once the meeting is closed.
 - The hourly rate at Item 11 in Annexure C of this Policy applies to any business such as electronic determinations that the panel conducts that is not connected to one of its meetings.
- 6.54 Councillors that are panel members are also entitled to their reasonable travel expenses in accordance with clause 6.2 of this Policy.

7 Insurances

- 7.1 CN's insurance policies provide cover for the Lord Mayor and Councillors against public liability, professional indemnity and other relevant claims as necessary to protect each Councillor in the performance of his or her role.
- 7.2 Insurance protection is only provided if a claim arises out of or in connection with the Councillor's performance of his or her civic duties, or exercise of his or her functions as a Councillor. All insurances are subject to any limitations or conditions set out in the policies of insurance.
- 7.3 If the insurer accepts a claim on behalf of a Councillor, no further approvals are required under this Policy.
- 7.4 CN shall pay the insurance policy excess in respect of any claim accepted by CN's insurers, whether defended or not.

- 7.5 Appropriate travel insurances will be provided for any Councillors travelling on approved interstate and overseas travel on council business.

8 Legal assistance

- 8.1 CN may, if requested, indemnify or reimburse the reasonable legal expenses of:
- a) A Councillor defending an action arising from the performance in good faith of a function under the Local Government Act provided that the outcome of the legal proceedings is favourable to the Councillor;
 - b) A Councillor defending an action in defamation, provided the statements complained of were made in good faith in the course of exercising a function under the Act and the outcome of the legal proceedings is favourable to the Councillor;
 - c) A Councillor for proceedings before an appropriate investigative or review body, provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the matter has proceeded past any initial assessment phase to a formal investigation or review and the investigative or review body makes a finding substantially favourable to the Councillor, in the opinion of the CEO.
- 8.2 In the case of a Code of Conduct complaint made against a Councillor, legal costs will only be made available where the matter has been referred by the CEO to a conduct reviewer, the conduct reviewer has commenced a formal investigation of the matter and makes a finding substantially favourable to the Councillor, in the opinion of the CEO.
- 8.3 Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her functions under the Act are distinguished from expenses incurred in relation to proceedings arising merely from something that a Councillor has done during his or her term in office. For example, expenses arising from an investigation as to whether a Councillor acted corruptly would not be covered by this section.
- 8.4 CN will not meet the legal costs:
- d) Of legal proceedings initiated by a Councillor under any circumstances;
 - e) Subject to cl 8.5A, of a Councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation;
 - f) For legal proceedings that do not involve a Councillor performing their role as a Councillor.
- 8.5 Reimbursement of expenses for reasonable legal expenses must be approved in accordance with this Policy.
- 8.6 The exception to clause 8.4 is that CN will indemnify or reimburse the reasonable legal expenses of a Councillor for matters arising that are associated with the performance of their duties as a CN spokesperson.

FACILITIES

9 General facilities for all Councillors

- 9.1 CN will provide the following facilities to Councillors to assist them to effectively discharge their civic duties:
- a) access to three car parking spaces at CN's City Administration Centre to be shared among Councillors while attending CN offices on Official Business;
 - b) access to meeting room facilities including the fully furnished Councillor Room on level 1 of CN's Administration Centre;
 - c) personal protective equipment for use during site visits;
 - d) a name badge which may be worn at official functions, indicating that the wearer holds the office of a Councillor and/or Lord Mayor or Deputy Lord Mayor;
 - e) access to technical resources including CN information, policies and relevant legislation where it is relevant to them fulfilling their role as an elected Councillor in the opinion of the CEO.
- 9.2 In addition to the Councillor Room , Councillors may book other meeting rooms for Official Business at CN's Administration Centre. Rooms can be booked through the Councillor Services team.
- 9.3 The provision of facilities will be of a standard deemed by the CEO as appropriate for the purpose.
- 9.4 CN will provide the Lord Mayor and Councillors with access to:
- a) CN's Employee Assistance Program in accordance with CN's Employee Assistance Program guidelines.
 - b) CN's Corporate Fitness Program in accordance with CN's Corporate Fitness Information Booklet.
 - c) tickets to productions, exhibitions, or events presented, sponsored or hosted by CN (where these are made available to CN).

9a Stationery

- 9.5 CN will provide the following stationery to Councillors each year:
- a) Letterhead, (generally in electronic form) to be used only for correspondence associated with civic duties
 - b) Business cards
 - c) Ordinary postage stamps, as necessary
 - d) Electronic Christmas or festive cards for Councillors.

10 Additional facilities for the Lord Mayor

- 10.1 CN will provide the following additional facilities in recognition of the fulltime requirements of the role:
- a) a maintained vehicle (preferably hybrid) and a fuel card for use to attend on Official Business, and professional development. Incidental private use is permitted, subject to cl. 4.2 of this Policy.
 - b) a car parking space at CN's City Administration Centre and City Hall;
 - c) furnished office, with computer, printing and copying facilities, internet access;
 - d) office refreshments;

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- e) daily newspapers/digital subscriptions;
 - f) Lord Mayoral Chains of Office and robes for official, civic and ceremonial use;
 - g) Lord Mayoral letterhead; and
 - h) A corporate credit card for the payment of expenses incurred in accordance with this Policy.
- 10.2 Staff for the Lord Mayor's Office as determined by the CEO in consultation with the Lord Mayor (as consistent with the Instrument of Delegation to the Lord Mayor).
- 10.3 When deputising for the Lord Mayor, the Deputy Lord Mayor will be provided with reasonable access to and use of the facilities provided to the Lord Mayor under this Policy. Expenses incurred during this time related to the use of facilities will be deducted from the Lord Mayor's budget.

PROCESS

11 Approval, payment and reimbursement arrangements

- 11.1 Expenses should only be incurred by Councillors in accordance with the provisions of this Policy.
- 11.2 Approval for incurring expenses, or for the reimbursement of such expenses, should be obtained before the expense is incurred.
- 11.3 Up to the maximum limits specified in this Policy, approval for the following may be sought after the expense is incurred:
- local travel relating to the conduct of Official Business
 - carer costs
 - office related expenditure.
- 11.4 Final approval for payments made under this Policy will be granted by the CEO or their delegate.
- 11.5 Claims for payment of an expense incurred by the Lord Mayor or a Councillor will be assessed in accordance with the relevant clauses of this Policy, by at least two of the following:
- a) the CEO;
 - b) the Director Governance and Chief Financial Officer;
 - c) the Manager Finance; or
 - d) the Manager Legal.
- 11.4B The Lord Mayor is provided with a corporate credit card to pay for expenses incurred in accordance with this Policy up to the Maximum Limit. Expenses relating to the Lord Mayor's Office and staff within the Office must be incurred in accordance with other relevant CN policies (including but not limited to CN's Procurement Policy). Statements must be reviewed and approved by the CEO and Director Governance and Chief Financial Officer.

11a Direct payment

- 11.6 CN may approve and directly pay expenses. Requests for direct payment must be submitted via the Online Councillor Expenses Claim Form found on the Councillors' Hub and provide sufficient information and time to allow for the claim to be assessed and processed.
- 11.7 All claims for direct payment will be assessed in accordance with clause 11.4A.

11b Reimbursement

- 11.8 All claims for reimbursement of expenses incurred must be lodged within 28 days of the expense being incurred. The claim should be submitted via the Online Councillor Expenses Claim Form found on the Councillors' Hub, provide sufficient information to allow assessment of the claim and should be supported by appropriate receipts and/or tax invoices.
- 11.9 If it is not possible to attach tax invoices and/or receipts, Councillors must provide a statutory declaration explaining the calculation of the claim and why it should be paid.
- 11.10 All claims for reimbursement will be assessed in accordance with clause 11.4A. If a claim is lodged after the time period provided in clause 11.6, it may be refused.

11c Notification

- 11.11 If a claim is approved, CN will make payment directly or reimburse the Councillor through accounts payable.
- 11.12 If a claim is refused, CN will inform the Councillor in writing that the claim has been refused and the reason for the refusal.

11d Reimbursement to CN

- 11.13 If CN has incurred an expense on behalf of a Councillor that exceeds a maximum limit, exceeds reasonable incidental private use or is not provided for in this Policy:
- a) CN will invoice the Councillor for the expense; and
 - b) the Councillor will reimburse CN for that expense within 14 days of the invoice date.
- 11.14 If the Councillor cannot reimburse CN within 14 days of the invoice date, they are to submit a written explanation to the CEO. The CEO may elect to deduct the amount from the Councillor's allowance.
- 11.15 Invoices for actual costs incurred by the Lord Mayor or a Councillor for private benefits will be issued where actual costs can be ascertained (for example costs of private use of a mobile phone will be calculated based on the mobile phone account).

11e Timeframe for reimbursement

- 11.16 Unless otherwise specified in this Policy, Councillors must provide all claims for reimbursement within 28 days of an expense being incurred. Claims made after this time cannot be approved.

12 Disputes

- 12.1 If a Councillor disputes a determination under this Policy, the Councillor should write to the CEO.
- 12.2 If the Councillor and the CEO cannot resolve the dispute, the Councillor may submit a notice of motion to a council meeting seeking to have the dispute resolved.

13 Return or retention of facilities

- 13.1 All unexpended facilities or equipment supplied under this Policy are to be relinquished immediately upon a Councillor or Lord Mayor ceasing to hold office or at the cessation of their civic duties.
- 13.2 Should a Councillor desire to keep any equipment allocated by council, then this Policy enables the Councillor to make application to the CEO to purchase any such equipment. The CEO will determine an agreed fair market price or written down value for the item of equipment.
- 13.3 The prices for all equipment purchased by Councillors under Clause 16.1 will be recorded in CN's Annual Report.
- 13.4 Where the Lord Mayor or a Councillor does not return CN equipment and facilities to CN upon ceasing to hold office as a Lord Mayor or a Councillor, CN will invoice them for the costs of those items, based on fair market value as determined by the CEO.

14 Publication

- 14.1 This Policy will be published on CN's website.

15 Reporting

- 15.1 CN will report on the provision of expenses and facilities to Councillors as required in the Act and Regulations.

15.2 Reports on the provision of expenses and facilities to Councillors are included in the Executive Monthly Report, and summarised in CN's Annual Report.

16 Auditing

16.1 The operation of this Policy, including claims made under the Policy, may be included in CN's audit program at the determination of the CEO.

17 Breaches

17.1 Suspected breaches of this Policy are to be reported to the CEO.

17.2 Alleged breaches of this Policy shall be dealt with by following the processes outlined in CN's Codes of Conduct, as detailed in the Code and in the Procedures for the Administration of the Code.

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ANNEXURE A - DEFINITIONS

Accompanying person means a spouse, partner or de facto or other person who has a close personal relationship with or provides carer support to a Councillor.

Appropriate refreshment means food and beverages, excluding alcohol, provided by council to support Councillors undertaking Official Business.

Act means the *Local Government Act 1993* (NSW).

Code of Conduct means the Code of Conduct adopted by Council or the Model Code if none is adopted.

Councillor means a person elected or appointed to civic office as a member of the governing body of council who is not suspended, including the Lord Mayor.

CEO means the Chief Executive Officer of the City of Newcastle and includes their delegate or authorised representative.

References to the CEO are references to the General Manager appointed under the *Local Government Act 1993* (NSW).

City of Newcastle (CN) means Newcastle City Council.

Council means the elected Council.

Incidental personal use means use that is infrequent and brief and use that does not breach this Policy or the Code of Conduct.

Long distance intrastate travel means travel to other parts of NSW of more than three hours duration by private vehicle.

Maximum limit means the maximum limit for an expense or facility provided in the text and summarised in Appendix 1.

Official Business means functions that the Lord 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:

- meetings of council and committees of the whole
- meetings of committees facilitated by council
- civic receptions hosted or sponsored by council
- meetings, functions, workshops and other events to which attendance by a Councillor has been requested or approved by council

Professional development means a seminar, conference, training course or other development opportunity relevant to the role of a Councillor or the Lord Mayor.

Regulation means the *Local Government (General) Regulation 2021* (NSW).

Staff means CN employees (full time, part time and casual), contractors, and consultants.

Year means the financial year, that is the 12 month period commencing on 1 July each year.

Unless stated otherwise, a reference to a section or clause is a reference to a section or clause of this Policy.

ANNEXURE B - POLICY AUTHORISATIONS

Function	Position Title and Number
<p>Authority to approve payment or reimbursement of expenses in accordance with this Policy.</p>	<p>Any two of:</p> <ul style="list-style-type: none"> • CEO • Director Governance and Chief Financial Officer • Manager Finance • Manager Legal

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ANNEXURE C – TABLE OF EXPENSES

This Policy sets out the maximum amounts CN will pay for specific expenses and facilities. Expenses not explicitly addressed in this Policy will not be paid or reimbursed.

The following table details the expense types what CN will pay for where the expense incurred relate to the Lord Mayor and Councillors' civic function/role only, the frequency and maximum limit payable.

All monetary amounts are exclusive of GST.

Item:	Expense or Facility	Maximum Limit	Frequency
1	<p>Travel arrangements and expenses – within Australia</p> <p>This includes payment or reimbursement of:</p> <ul style="list-style-type: none"> • flights • public transport fares • the use of a private vehicle or hire car • parking • tolls • Taxi fare (including Cabcharge card) or equivalent ride-share services such as Uber, where tax invoices can be issued. <p>Refer to section 6 of this Policy.</p> <p>Note: overseas travel expenses will be paid in accordance with a specific resolution of Council – Refer to section 6.7 of this Policy.</p>	<p>\$2,000 per Councillor</p> <p>Additional \$2,000 for the Lord Mayor</p>	Per year
2	<p>Accommodation and meals</p> <p>This includes payment or reimbursement of:</p> <ul style="list-style-type: none"> • overnight accommodation • reasonable cost of meals not provided as part of accommodation or a registration fee. <p>Refer to section 6.15 of this Policy.</p>	This is provided for under the Maximum Limit of Item 1.	
3	<p>Professional development</p> <p>This includes payment or reimbursement of:</p> <ul style="list-style-type: none"> • Cost of attendance at training programs and courses that will help to acquire and maintain the knowledge and skills necessary to perform their roles. • Professional memberships <p>Refer to sections 6.24 and 6.25 of this Policy.</p>	\$5,000 per Councillor	Per year
4	<p>Conferences and seminars</p> <p>This includes payment or reimbursement of:</p> <ul style="list-style-type: none"> • Tickets to attend events and functions connected to the civic role or events providing the opportunity to keep up to date with contemporary issues facing CN, the community, and local government in NSW. <p>Refer to sections 6.28 - 6.296.31 of this Policy.</p>	This is provided for under the Maximum Limit of Items 1 and 3.	

5	<p>Accompanying Person</p> <p>This includes payment or reimbursement of a ticket for where it is appropriate for an Accompanying Person to attend Official Business, such as:</p> <ul style="list-style-type: none"> • Australia Day award ceremonies • citizenship ceremonies • civic receptions • community functions held within or contributing to the local government areas • charitable functions formally supported by CN. <p>Refer to section 6.31 of this Policy.</p>	<p>\$500 per Councillor</p> <p>Additional \$500 for the Lord Mayor</p>	Per year
6	<p>Information and communications technology (ICT) devices and expenses</p> <p><u>Devices</u></p> <p>This includes the issuance of:</p> <ul style="list-style-type: none"> • Mobile phone • Tablet <p><u>Expenses</u></p> <p>This includes payment or reimbursement of:</p> <ul style="list-style-type: none"> • Mobile phone call costs • Data package • IT support • Repairs or replacement. <p>Refer to sections 6.32 - 6.36 of this Policy.</p>	<p>\$4,000 per Councillor</p> <p>\$3,000 per Councillor</p>	<p>Per term</p> <p>Per year</p>
7	<p>Special requirement and carer expenses</p> <p>This includes payment or reimbursement of:</p> <ul style="list-style-type: none"> • Accessibility provisions, including travel • carer's expenses. <p>Refer to sections 6.40 - 6.43 of this Policy.</p>	\$6,000 per Councillor	Per year
8	<p>Home office expenses</p> <p>This includes payment or reimbursement of:</p> <ul style="list-style-type: none"> • Stationery and office supplies • Postage costs • Newspapers/digital subscriptions • Business cards • Name badge • Christmas cards. • Home internet <p>Refer to section 6.44 of this Policy.</p>	<p>\$500 per Councillor</p> <p>Additional \$1,500 for the Lord Mayor</p>	Per year
9	<p>Australian Institute of Company Directors course (or equivalent type of learning opportunity subject to approval)</p>	<p>\$4,000 per Councillor</p> <p>Note:</p>	Per term

	<p>This includes payment or reimbursement for:</p> <ul style="list-style-type: none"> • Cost of enrolment • Membership fees (annual) <p>Refer to sections 6.46 and 6.47 of this Policy.</p>	<p>The expenses claimed must occur within the first two years of their first Term as a Councillor.</p>	
10	<p>Local Government NSW Conference and National General Assembly</p> <ul style="list-style-type: none"> • Registration fees • Tickets to the official dinner for Councillor and Accompanying Person <p>Refer to section 6.51 of this Policy.</p>	<p>Limit - \$20,000</p> <p>Shared amongst elected representatives for CN's representation</p> <p>Limit is a combined amount for both events</p>	Per year
11	<p>Hunter and Central Coast Regional Planning Panel membership</p> <p>This includes payment of:</p> <ul style="list-style-type: none"> • Remuneration for Councillor membership in accordance with advice from the Department of Planning and Environment • Remuneration for business undertaken outside of meetings in relation to the role as a member. <p>Refer to section 6.53 of this Policy.</p>	<p>\$600 per Councillor member per meeting (indexed annually)</p> <p>\$71 per / hour (indexed annually)</p>	Per year

Additional costs incurred by a Councillor in excess of these limits are considered a personal expense that is the responsibility of the Councillor.

DOCUMENT CONTROL

Policy title	Councillor Expenses and Facilities Policy
Policy owner	Manager Legal
Policy expert/writer	Councillor and Executive Support Officer
Prepared by	Legal
Approved by	Council
Date approved	To be completed by Legal
Policy approval form reference	ECM#
Commencement Date	To be completed by Legal
Next revision date	To be completed by Legal
Termination date	To be completed by Legal (one-year post revision date)
Version #	9
Category	Council
Keywords	Lord Mayor, Councillors, expenses, facilities, travel, professional development, communication
Details of previous versions	Version #8 - ECM 6505677
Relevant strategy	Nil.
Relevant legislation/codes (reference specific sections)	<i>Local Government Act 1993</i> (NSW) s.232, 252, 253, 254, 254B 382, 439, 440. <i>Local Government (General) Regulation 2021</i> (NSW) cl. 217, 403
Other related documents	CN's Codes of Conduct
Related forms	Online Councillor Expenses claim form
Required on website	Yes
Authorisations	Refer to functions authorised under this Policy at Annexure B.

**CCL 24/05/2022 – PUBLIC EXHIBITION OF COUNCILLOR
EXPENSES AND FACILITIES POLICY**

ITEM-42 **Page 25** **Attachment B:** Office of Local Government's Councillor Expenses and Facilities Policy – suggested template (June 2017)

DISTRIBUTED UNDER SEPARATE COVER

Councillor Expenses and Facilities Policy

Suggested template

Notes for users

This template for a Councillor Expenses and Facilities Policy is provided as a suggested format for councils in response to requests for guidance on better practice. The template has been prepared to be consistent with the Local Government Act 1993 and Local Government (General) Regulations 2005. If there are any inconsistencies, the Act and Regulations take precedence.

The template has been designed to be amended to suit local needs and circumstances. It is recognised that the provisions in the policy template will not all be appropriate for every council.

Areas where councils will need to incorporate specific direction are highlighted and indicated in [square brackets]. This note to users and all highlighted sections should be deleted during preparation of the draft policy.

Councils using this template will need to include maximum expenditure limits for specific expenses and facilities. Councils will tailor these limits to their own context and community expectations. Councils may wish to benchmark against similar councils to determine these limits.

Once exhibited and adopted, the policy should be made publicly available on the council website.

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Policy summary

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2. Policy objectives
3. Principles
4. Private or political benefit

Part B – Expenses

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8. Legal assistance

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10. Additional facilities for the Mayor

Part D – Processes

11. Approval, payment and reimbursement arrangements
12. Disputes
13. Return or retention of facilities
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15. Reporting
16. Auditing
17. Breaches

Part E – Appendix

Appendix I – Related legislation, guidance and policies

Appendix II – Definitions

Policy summary

This policy enables the reasonable and appropriate reimbursement of expenses and provision of facilities to councillors to help them undertake their civic duties.

It ensures accountability and transparency, and seeks to align councillor expenses and facilities with community expectations. Councillors must not obtain private or political benefit from any expense or facility provided under this policy.

The policy has been prepared in accordance with the *Local Government Act 1993* (the Act) and *Local Government (General) Regulation 2005* (the Regulation), and complies with the Office of Local Government's Guidelines for the payment of expenses and provision of facilities to Mayors and Councillors in NSW.

The policy sets out the maximum amounts council will pay for specific expenses and facilities. Expenses not explicitly addressed in this policy will not be paid or reimbursed.

The main expenses and facilities are summarised in the table below. All monetary amounts are exclusive of GST.

Expense or facility	Maximum amount	Frequency
General travel expenses	\$[insert] per councillor \$[insert] for the Mayor	Per year
Interstate, overseas and long distance intrastate travel expenses	\$[insert] total for all councillors	Per year
Accommodation and meals	As per the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009, adjusted annually	Per meal/night
Professional development	\$[insert] per councillor	Per year
Conferences and seminars	\$[insert] total for all councillors	Per year
ICT expenses	\$[insert] per councillor	Per year
Carer expenses	\$[insert] per councillor	Per year
Home office expenses	\$[insert] per councillor	Per year
Postage stamps	[insert]	Per year
Christmas or festive cards	[insert] per councillor [insert] for the mayor	Per year
Access to facilities in a Councillor common room [where applicable Clause 9.1]	Provided to all councillors	Not relevant
Council vehicle and fuel card [where applicable Clause 10]	Provided to the mayor	Not relevant
Reserved parking space at Council offices	Provided to the mayor	Not relevant
Furnished office [where applicable Clause 10]	Provided to the mayor	Not relevant
Number of exclusive staff supporting Mayor and Councillors [where applicable Clause 10]	Provided to the mayor and councillors	Not relevant

Additional costs incurred by a councillor in excess of these limits are considered a personal expense that is the responsibility of the councillor.

Councillors must provide claims for reimbursement within three months of an expense being incurred. Claims made after this time cannot be approved.

Detailed reports on the provision of expenses and facilities to councillors will be publicly tabled at a council meeting every six months and published in full on council's website. These reports will include expenditure summarised by individual councillor and as a total for all councillors.

Part A – Introduction

1. Introduction

- 1.1. The provision of expenses and facilities enables councillors to fulfil their civic duties as the elected representatives of [insert name] council.
- 1.2. The community is entitled to know the extent of expenses paid to councillors, as well as the facilities provided.
- 1.3. The purpose of this policy is to clearly state the facilities and support that are available to councillors to assist them in fulfilling their civic duties.
- 1.4. Council staff are empowered to question or refuse a request for payment from a councillor when it does not accord with this policy.
- 1.5. Expenses and facilities provided by this policy are in addition to fees paid to councillors. The minimum and maximum fees a council may pay each councillor are set by the Local Government Remuneration Tribunal as per Section 241 of the Act and reviewed annually. Council must adopt its annual fees within this set range.

2. Policy objectives

- 2.1. The objectives of this policy are to:
 - enable the reasonable and appropriate reimbursement of expenses incurred by councillors while undertaking their civic duties
 - enable facilities of a reasonable and appropriate standard to be provided to councillors to support them in undertaking their civic duties
 - ensure accountability and transparency in reimbursement of expenses and provision of facilities to councillors
 - ensure facilities and expenses provided to councillors meet community expectations
 - support a diversity of representation
 - fulfil the council's statutory responsibilities.

3. Principles

- 3.1. Council commits to the following principles:
 - **Proper conduct:** councillors and staff acting lawfully and honestly, exercising care and diligence in carrying out their functions
 - **Reasonable expenses:** providing for councillors to be reimbursed for expenses reasonably incurred as part of their role as councillor
 - **Participation and access:** enabling people from diverse backgrounds, underrepresented groups, those in carer roles and those with special needs to serve as acCouncillor
 - **Equity:** there must be equitable access to expenses and facilities for all councillors
 - **Appropriate use of resources:** providing clear direction on the appropriate use of council resources in accordance with legal requirements and community expectations
 - **Accountability and transparency:** clearly stating and reporting on the expenses and facilities provided to councillors.

4. Private or political benefit

- 4.1. Councillors must not obtain private or political benefit from any expense or facility provided under this policy.
- 4.2. Private use of council equipment and facilities by councillors may occur from time to time. For example, telephoning home to advise that a council meeting will run later than expected.
- 4.3. Such incidental private use does not require a compensatory payment back to council.
- 4.4. Councillors should avoid obtaining any greater private benefit from Council than an incidental benefit. Where there are unavoidable circumstances and more substantial private use of council facilities does occur, councillors must reimburse the council.
- 4.5. Campaigns for re-election are considered to be a political benefit. The following are examples of what is considered to be a political interest during a re-election campaign:
 - production of election material
 - use of council resources and equipment for campaigning
 - use of official council letterhead, publications, websites or services for political benefit
 - fundraising activities of political parties or individuals, including political fundraising events.

Part B – Expenses

5. General expenses

- 5.1. All expenses provided under this policy will be for a purpose specific to the functions of holding civic office. Allowances for general expenses are not permitted under this policy.
- 5.2. Expenses not explicitly addressed in this policy will not be paid or reimbursed.

6. Specific expenses

General travel arrangements and expenses

- 6.1. All travel by councillors should be undertaken using the most direct route and the most practicable and economical mode of transport.
- 6.2. Each councillor may be reimbursed up to a total of **\$(insert)** per year, and the mayor may be reimbursed up to a total of **\$(insert)** per year, for travel expenses incurred while undertaking official business or professional development or attending approved conferences and seminars within NSW. This includes reimbursement:
 - for public transport fares
 - for the use of a private vehicle or hire car
 - for parking costs for Council and other meetings
 - for tolls
 - by Cabcharge card or equivalent
 - for documented ride-share programs, such as Uber, where tax invoices can be issued.
- 6.3. Allowances for the use of a private vehicle will be reimbursed by kilometre at the rate contained in the Local Government (State) Award.
- 6.4. Councillors seeking to be reimbursed for use of a private vehicle must keep a log book recording the date, distance and purpose of travel being claimed. Copies of the relevant log book contents must be provided with the claim.

Interstate, overseas and long distance intrastate travel expenses

[For councils in metropolitan areas, this section includes reference to long distance intrastate travel. Councils in regional, rural and remote areas may wish to delete these references].

- 6.5. [Councils located on state borders may wish to include the following clause: Given Council's location [on or near] an interstate border, travel to [insert state name] will be considered as general travel. Arrangements and expenses for this travel will be governed by Clauses 6.1-6.4].
- 6.6. In accordance with Section 4, Council will scrutinise the value and need for councillors to undertake overseas travel. Councils should avoid interstate, overseas and long distance intrastate trips unless direct and tangible benefits can be established for the council and the local community. This includes travel to sister and friendship cities.
- 6.7. Total interstate, overseas and long distance intrastate travel expenses for all councillors will be capped at a maximum of \$[insert] per year. This amount will be set aside in Council's annual budget.
- 6.8. Councillors seeking approval for any interstate and long distance intrastate travel must submit a case to, and obtain the approval of, the general manager prior to travel.
- 6.9. Councillors seeking approval for any overseas travel must submit a case to, and obtain the approval of, a full council meeting prior to travel.
- 6.10. The case should include:
- objectives to be achieved in travel, including an explanation of how the travel aligns with current council priorities and business, the community benefits which will accrue as a result, and its relevance to the exercise of the councillor's civic duties
 - who is to take part in the travel
 - duration and itinerary of travel
 - a detailed budget including a statement of any amounts expected to be reimbursed by the participant/s.
- 6.11. For interstate and long distance intrastate journeys by air of less than three hours, the class of air travel is to be economy class.
- 6.12. For interstate journeys by air of more than three hours, the class of air travel may be premium economy.
- 6.13. For international travel, the class of air travel is to be premium economy if available. Otherwise, the class of travel is to be economy.
- 6.14. Bookings for approved air travel are to be made through the general manager's office.
- 6.15. For air travel that is reimbursed as council business, councillors will not accrue points from the airline's frequent flyer program. This is considered a private benefit.

Travel expenses not paid by Council

- 6.16. Council will not pay any traffic or parking fines or administrative charges for road toll accounts.

Accommodation and meals

- 6.17. [Rural and regional councils may wish to include the following clause:] In circumstances where it would introduce undue risk for a councillor to travel to or from official business in the late evening or early morning, reimbursement of costs for accommodation and meals on the night before or after the meeting may be approved by the general manager. This includes where a meeting finishes later than 9.00pm or starts earlier than 7.00am and the councillor lives more than 50 kilometres from the meeting location.
- 6.18. Council will reimburse costs for accommodation and meals while councillors are undertaking prior approved travel or professional development outside [insert relevant region e.g. metropolitan Sydney/the Hunter/the Murray].

- 6.19. The daily limits for accommodation and meal expenses within Australia are to be consistent with those set out in Part B Monetary Rates of the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009, as adjusted annually.
- 6.20. The daily limits for accommodation and meal expenses outside Australia are to be determined in advance by the general manager, being mindful of Clause 6.19.
- 6.21. Councillors will not be reimbursed for alcoholic beverages.

Refreshments for council related meetings

- 6.22. Appropriate refreshments will be available for council meetings, council committee meetings, councillor briefings, approved meetings and engagements, and official council functions as approved by the general manager.
- 6.23. As an indicative guide for the standard of refreshments to be provided at council related meetings, the general manager must be mindful of Part B Monetary Rates of the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009, as adjusted annually.

Professional development

- 6.24. Council will set aside \$[insert] per councillor annually in its budget to facilitate professional development of councillors through programs, training, education courses and membership of professional bodies.
- 6.25. In the first year of a new council term, Council will provide a comprehensive induction program for all councillors which considers any guidelines issued by the Office of Local Government (OLG). The cost of the induction program will be in addition to the ongoing professional development funding.
- 6.26. Annual membership of professional bodies will only be covered where the membership is relevant to the exercise of the councillor's civic duties, the councillor actively participates in the body and the cost of membership is likely to be fully offset by savings from attending events as a member.
- 6.27. Approval for professional development activities is subject to a prior written request to the general manager outlining the:
- details of the proposed professional development
 - relevance to council priorities and business
 - relevance to the exercise of the councillor's civic duties.
- 6.28. In assessing a councillor request for a professional development activity, the general manager must consider the factors set out in Clause 6.27, as well as the cost of the professional development in relation to the councillor's remaining budget.

Conferences and seminars

- 6.29. Council is committed to ensuring its councillors are up to date with contemporary issues facing council and the community, and local government in NSW.
- 6.30. Council will set aside a total amount of \$[insert] annually in its budget to facilitate councillor attendance at conferences and seminars. This allocation is for all councillors. The general manager will ensure that access to expenses relating to conferences and seminars is distributed equitably.
- 6.31. Approval to attend a conference or seminar is subject to a written request to the general manager. In assessing a councillor request, the general manager must consider factors including the:
- relevance of the topics and presenters to current council priorities and business and the exercise of the councillor's civic duties
 - cost of the conference or seminar in relation to the total remaining budget.
- 6.32. Council will meet the reasonable cost of registration fees, transportation and accommodation associated with attendance at conferences approved by the general manager. Council will also meet the reasonable cost of meals when they are not included in the conference fees.

Reimbursement for accommodation and meals not included in the conference fees will be subject to Clauses 6.18-6.21.

Information and communications technology (ICT) expenses

[Clauses 6.35-6.37 relate to the contemporary practice of providing a total expenses cap which each councillor can use flexibly to meet the ICT needs associated with his or her civic duties. Where a council prefers to provide ICT devices directly to councillors, alternative clauses can be substituted.]

- 6.33. Council will provide or reimburse councillors for expenses associated with appropriate ICT devices and services up to a limit of \$[insert] per annum for each councillor. This may include mobile phones and tablets, mobile phone and tablet services and data, and home internet costs.
- 6.34. Reimbursements will be made only for communications devices and services used for councillors to undertake their civic duties, such as:
- receiving and reading council business papers
 - relevant phone calls and correspondence
 - diary and appointment management.
- 6.35. Councillors may seek reimbursement for applications on their mobile electronic communication device that are directly related to their duties as a councillor, within the maximum limit.

Special requirement and carer expenses

- 6.36. Council encourages wide participation and interest in civic office. It will seek to ensure council premises and associated facilities are accessible, including provision for sight or hearing impaired councillors and those with other disabilities.
- 6.37. Transportation provisions outlined in this policy will also assist councillors who may be unable to drive a vehicle.
- 6.38. In addition to the provisions above, the general manager may authorise the provision of reasonable additional facilities and expenses in order to allow a councillor with a disability to perform their civic duties.
- 6.39. Councillors who are the principal carer of a child or other elderly, disabled and/or sick immediate family member will be entitled to reimbursement of carer's expenses up to a maximum of \$[insert] per annum for attendance at official business, plus reasonable travel from the principal place of residence.
- 6.40. Child care expenses may be claimed for children up to and including the age of 16 years where the carer is not a relative.
- 6.41. In the event of caring for an adult person, councillors will need to provide suitable evidence to the general manager that reimbursement is applicable. This may take the form of advice from a medical practitioner.

Home office expenses

- 6.42. Each councillor may be reimbursed up to \$[insert] per year for costs associated with the maintenance of a home office, such as minor items of consumable stationery and printer ink cartridges.

7. Insurances

[Council to insert relevant and accurate text reflecting their own policy. Some wording is suggested below and may be used if it fits with council's policy]

- 7.1. In accordance with Section 382 of the Local Government Act, Council is insured against public liability and professional indemnity claims. Councillors are included as a named insured on this Policy.

- 7.2. Insurance protection is only provided if a claim arises out of or in connection with the councillor's performance of his or her civic duties, or exercise of his or her functions as a councillor. All insurances are subject to any limitations or conditions set out in the policies of insurance.
- 7.3. Council shall pay the insurance policy excess in respect of any claim accepted by council's insurers, whether defended or not.
- 7.4. Appropriate travel insurances will be provided for any councillors travelling on approved interstate and overseas travel on council business.

8. Legal assistance

- 8.1. Council may, if requested, indemnify or reimburse the reasonable legal expenses of:
 - a councillor defending an action arising from the performance in good faith of a function under the Local Government Act provided that the outcome of the legal proceedings is favourable to the councillor
 - a councillor defending an action in defamation, provided the statements complained of were made in good faith in the course of exercising a function under the Act and the outcome of the legal proceedings is favourable to the councillor
 - a councillor for proceedings before an appropriate investigative or review body, provided the subject of the proceedings arises from the performance in good faith of a function under the Act and the matter has proceeded past any initial assessment phase to a formal investigation or review and the investigative or review body makes a finding substantially favourable to the councillor.
- 8.2. In the case of a code of conduct complaint made against a councillor, legal costs will only be made available where the matter has been referred by the general manager to a conduct reviewer and the conduct reviewer has commenced a formal investigation of the matter and makes a finding substantially favourable to the councillor.
- 8.3. Legal expenses incurred in relation to proceedings arising out of the performance by a councillor of his or her functions under the Act are distinguished from expenses incurred in relation to proceedings arising merely from something that a councillor has done during his or her term in office. For example, expenses arising from an investigation as to whether a councillor acted corruptly would not be covered by this section.
- 8.4. Council will not meet the legal costs:
 - of legal proceedings initiated by a councillor under any circumstances
 - of a councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation
 - for legal proceedings that do not involve a councillor performing their role as a councillor.
- 8.5. Reimbursement of expenses for reasonable legal expenses must have Council approval by way of a resolution at a council meeting prior to costs being incurred.

Part C – Facilities

9. General facilities for all councillors

Facilities

- 9.1. Council will provide the following facilities to councillors to assist them to effectively discharge their civic duties:

- [where relevant, include the following point:] a councillor common room appropriately furnished to include telephone, photocopier, printer, desks, computer terminals, pigeon holes and appropriate refreshments (excluding alcohol)
 - access to shared car parking spaces while attending council offices on official business
 - personal protective equipment for use during site visits
 - a name badge which may be worn at official functions, indicating that the wearer holds the office of a councillor and/or mayor or deputy mayor.
- 9.2. Councillors may book meeting rooms for official business in a specified council building at no cost. Rooms may be booked through a specified officer in the mayor's office or other specified staff member.
- 9.3. The provision of facilities will be of a standard deemed by the general manager as appropriate for the purpose.

Stationery

- 9.4. Council will provide the following stationery to councillors each year:
- letterhead, to be used only for correspondence associated with civic duties
 - business cards
 - up to [insert] ordinary postage stamps
 - up to [insert] Christmas or festive cards per year for councillors and [insert] for the mayor.
- 9.5. As per Section 4, stamps shall only be used to support a councillor's civic duties. Councillor mail will only be posted using the stamps provided. Any stamps not used will not be carried over to the next year's allocation.

Administrative support

- 9.6. Council will provide administrative support to councillors to assist them with their civic duties only. Administrative support may be provided by staff in the mayor's office or by a member of council's administrative staff as arranged by the general manager or their delegate.
- 9.7. As per Section 4, council staff are expected to assist councillors with civic duties only, and not assist with matters of personal or political interest, including campaigning.

10. Additional facilities for the mayor

- 10.1. [Where a vehicle is provided to the mayor, include Clauses 10.1-10.4] Council will provide to the mayor a maintained vehicle to a similar standard of other council vehicles, with a fuel card. The vehicle will be supplied for use on business, professional development and attendance at the mayor's office.
- 10.2. The mayor must keep a log book setting out the date, distance and purpose of all travel. This must include any travel for private benefit. The log book must be submitted to council on a monthly basis.
- 10.3. The mayoral allowance will be reduced to cover the cost of any private travel recorded in the log book, calculated on a per kilometre basis by the rate set by the Local Government (State) Award.
- 10.4. A parking space at council's offices will be reserved for the mayor's council-issued vehicle for use on official business, professional development and attendance at the mayor's office.
- 10.5. [Where relevant, include the following clause] Council will provide the mayor with a furnished office incorporating a computer configured to council's standard operating environment, telephone and meeting space.
- 10.6. In performing his or her civic duties, the mayor will be assisted by a small number of staff providing administrative and secretarial support, as determined by the general manager.
- 10.7. The number of exclusive staff provided to support the mayor and councillors will not exceed [insert number] full time equivalents.

- 10.8. As per Section 4, staff in the mayor's office are expected to work on official business only, and not for matters of personal or political interest, including campaigning.

Part D – Processes

11. Approval, payment and reimbursement arrangements

- 11.1. Expenses should only be incurred by councillors in accordance with the provisions of this policy.
- 11.2. Approval for incurring expenses, or for the reimbursement of such expenses, should be obtained before the expense is incurred.
- 11.3. Up to the maximum limits specified in this policy, approval for the following may be sought after the expense is incurred:
- local travel relating to the conduct of official business
 - carer costs
 - [where councils have a total expenses cap for ICT devices and services, insert the following point:] ICT expenditure.
- 11.4. Final approval for payments made under this policy will be granted by the general manager or their delegate.

Direct payment

- 11.5. Council may approve and directly pay expenses. Requests for direct payment must be submitted to the manager [insert relevant council division] for assessment against this policy using the prescribed form, with sufficient information and time to allow for the claim to be assessed and processed.

Reimbursement

- 11.6. All claims for reimbursement of expenses incurred must be made on the prescribed form, supported by appropriate receipts and/or tax invoices and be submitted to the manager [insert relevant council division].

Advance payment

- 11.7. Council may pay a cash advance for councillors attending approved conferences, seminars or professional development.
- 11.8. The maximum value of a cash advance is \$[insert] per day of the conference, seminar or professional development to a maximum of \$[insert].
- 11.9. Requests for advance payment must be submitted to the manager [insert relevant council division] for assessment against this policy using the prescribed form with sufficient information and time to allow for the claim to be assessed and processed.
- 11.10. Councillors must fully reconcile all expenses against the cost of the advance within one month of incurring the cost and/or returning home. This includes providing to council:
- a full reconciliation of all expenses including appropriate receipts and/or tax invoices
 - reimbursement of any amount of the advance payment not spent in attending to official business or professional development.

Notification

- 11.11. If a claim is approved, council will make payment directly or reimburse the councillor through accounts payable.
- 11.12. If a claim is refused, council will inform the councillor in writing that the claim has been refused and the reason for the refusal.

Reimbursement to council

11.13. If council has incurred an expense on behalf of a councillor that exceeds a maximum limit, exceeds reasonable incidental private use or is not provided for in this policy:

- council will invoice the councillor for the expense
- the councillor will reimburse council for that expense within 14 days of the invoice date.

11.14. If the councillor cannot reimburse council within 14 days of the invoice date, they are to submit a written explanation to the general manager. The general manager may elect to deduct the amount from the councillor's allowance.

Timeframe for reimbursement

11.15. Unless otherwise specified in this policy, councillors must provide all claims for reimbursement within three months of an expense being incurred. Claims made after this time cannot be approved.

12. Disputes

12.1. If a councillor disputes a determination under this policy, the councillor should discuss the matter with the general manager.

12.2. If the councillor and the general manager cannot resolve the dispute, the councillor may submit a notice of motion to a council meeting seeking to have the dispute resolved.

13. Return or retention of facilities

13.1. All unexpended facilities or equipment supplied under this policy are to be relinquished immediately upon a councillor or mayor ceasing to hold office or at the cessation of their civic duties.

13.2. Should a councillor desire to keep any equipment allocated by council, then this policy enables the councillor to make application to the general manager to purchase any such equipment. The general manager will determine an agreed fair market price or written down value for the item of equipment.

13.3. The prices for all equipment purchased by councillors under Clause 13.2 will be recorded in Council's annual report.

14. Publication

14.1. This policy will be published on council's website.

15. Reporting

15.1. Council will report on the provision of expenses and facilities to councillors as required in the Act and Regulations.

15.2. Detailed reports on the provision of expenses and facilities to councillors will be publicly tabled at a council meeting every six months and published in full on council's website. These reports will include expenditure summarised by individual councillor and as a total for all councillors.

16. Auditing

16.1. The operation of this policy, including claims made under the policy, will be included in council's audit program and an audit undertaken at least every two years.

17. Breaches

- 17.1. Suspected breaches of this policy are to be reported to the general manager.
- 17.2. Alleged breaches of this policy shall be dealt with by following the processes outlined for breaches of the Code of Conduct, as detailed in the Code and in the Procedures for the Administration of the Code.

PART E – Appendices

Appendix I: Related legislation, guidance and policies

Relevant legislation and guidance:

- Local Government Act 1993, Sections 252 and 253
- Local Government (General) Regulation 2005, Clauses 217 and 403
- Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW, 2009
- Local Government Circular 09-36 Guidelines for Payment of Expenses and Facilities
- Local Government Circular 05-08 legal assistance for Councillors and Council Employees.

Related Council policies:

- Code of Conduct
- [insert others as relevant]

Appendix II: Definitions

The following definitions apply throughout this policy.

Term	Definition
accompanying person	Means a spouse, partner or de facto or other person who has a close personal relationship with or provides carer support to a councillor
appropriate refreshments	Means food and beverages, excluding alcohol, provided by council to support councillors undertaking official business
Act	Means the <i>Local Government Act 1993 (NSW)</i>
clause	Unless stated otherwise, a reference to a clause is a reference to a clause of this policy
Code of Conduct	Means the Code of Conduct adopted by Council or the Model Code if none is adopted
Councillor	Means a person elected or appointed to civic office as a member of the governing body of council who is not suspended, including the mayor
General Manager	Means the general manager of Council and includes their delegate or authorised representative
incidental personal use	Means use that is infrequent and brief and use that does not breach this policy or the Code of Conduct
long distance intrastate travel	Means travel to other parts of NSW of more than three hours duration by private vehicle
maximum limit	Means the maximum limit for an expense or facility provided in the text and summarised in Appendix 1
NSW	New South Wales
official business	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"> • meetings of council and committees of the whole • meetings of committees facilitated by council • civic receptions hosted or sponsored by council • meetings, functions, workshops and other events to which attendance by a councillor has been requested or approved by council
professional development	Means a seminar, conference, training course or other development opportunity relevant to the role of a councillor or the mayor
Regulation	Means the Local Government (General) Regulation 2005 (NSW)
year	Means the financial year, that is the 12 month period commencing on 1 July each year

**CCL 24/05/2022 – PUBLIC EXHIBITION OF COUNCILLOR
EXPENSES AND FACILITIES POLICY**

ITEM-42 Page 41 Attachment C: Office of Local Government's Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW (October 2009)



Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW

**Division of Local Government
Department of Premier and Cabinet**

October 2009

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Part One

The Guidelines

Acknowledgements

The Division of Local Government, Department of Premier and Cabinet would like to thank the Local Government and Shires Associations of NSW for their contribution to the review of these guidelines.

1.1 Purpose

These guidelines have been prepared for use by NSW councils to develop, implement and review their policies on the payment of expenses and the provision of facilities to mayors and councillors ('councillor expenses and facilities policies').

Councillor expenses and facilities policies should allow for councillors to receive adequate and reasonable expenses and facilities to enable them to carry out their civic duties as elected representatives of their local communities.

The preparation and review of these policies on an annual basis by councils is a mandatory requirement to ensure accountability and transparency in the reasonable and appropriate provision of expenses and facilities to mayors and councillors in NSW.

1.2 Background

A review by the then Department of Local Government in 2005 of a number of councillor expenses and facilities policies revealed a high level of variability in format and content, the scope of expenses and facilities provided and the level of payment. Many councils did not set a limit to the payment of a number of types of expenses.

To address these issues, amendments were made to the *Local Government Act 1993 (Local Government Amendment Act 2005)* and the *Local Government Regulation 2005*. In addition the first version of these guidelines was developed.

A further review of a number of councillor expenses and facilities policies in 2007 (Director General's Circular to Councils 08/03 refers) and feedback received from councils using the guidelines identified the need for clarification of a number of areas. The result is the release of this revised version of the guidelines.

1.3 Legislative Context

These guidelines have been prepared under the provisions of section 23A of the *Local Government Act 1993* ('the Act') as Director General's Guidelines. They replace any previous versions of the guidelines issued.

Councillor expenses and facilities policies are made under the Act and in accordance with sections 252 and 253 of the Act as well as clause 403 of the Local Government (General) Regulation 2005 ('the Regulation').

Under section 252(5) of the Act councillor expenses and facilities policies must comply with the provisions of the Act, the Regulation, these guidelines and other policies nominated in these guidelines.

Under section 439 of the Act every councillor must act honestly and exercise a reasonable degree of care and diligence in carrying out his or her functions. Under section 440 each council must adopt a code of conduct that incorporates the provisions of the *Model Code of Conduct for Local Councils in NSW* (the Model Code of Conduct).

Other policy documents to be considered during the development and review of councillor expenses and facilities policies include relevant Circulars to Councils the *Model Code of Conduct for Local Councils in NSW* and the Independent Commission against Corruption publication *No Excuse for Misuse*.

A council may disburse money only if the disbursement is authorised by the Local Government Act, either expressly or because it is supplemental, incidental to or consequential upon the exercise of its functions.

Further details of relevant legislative provisions and policy documents are in Appendix I to these guidelines.

1.4 Scope

Policies prepared under these guidelines provide for the payment or reimbursement of expenses and the provision of facilities by councils to mayors and councillors in NSW. They are also relevant to NSW council administrators where applicable and with necessary modifications.

The guidelines contain:

Discussion of principles and clarification of relevant issues in regard to the scope and extent of expenses and facilities that may be reasonably and appropriately provided for in councils' policies (Part One)

Notes and/or model clauses on specific expenses and facilities to assist councils to prepare their policies (Part Two)

Details of the relevant legislative and policy requirements ([Appendix I](#))

Suggested outline structure or format for a policy, which councils may use or adapt as necessary to suit their needs ([Appendix II](#)).

These guidelines do not deal with matters associated with the setting and payment of councillors' annual fees, which are a matter for the Local Government Remuneration Tribunal. Accordingly, policies prepared under these guidelines should not deal with councillors' annual fees.

1.5 Definitions

The Act: *The Local Government Act 1993*

Councillor expenses and facilities policies: policies prepared under these guidelines on the payment of expenses and the provision of facilities to mayors and councillors.

Expenses: Payments made by the council to reimburse councillors for reasonable costs or charges incurred or to be incurred for discharging their civic functions. Expenses must be outlined in a council's policy and may be either reimbursed to a councillor or paid directly by a council for something that is deemed to be a necessary expense to enable them to perform their civic functions. Expenses are separate and additional to annual fees.

Facilities: Equipment and services that are provided by councils to councillors to enable them to perform their civic functions with relative ease and at a standard appropriate to their professional role as councillors.

Functions of civic office/civic functions: Functions that councillors are required to undertake to fulfil their legislated role and responsibilities for the council that should result in a direct benefit for the council and/or for the local government area.

The Regulation: *The Local Government (General) Regulation 2005*

1.6 Key Principles and Issues

Below are a number of key principles and issues that councils must consider and integrate within their councillor expenses and facilities policies where appropriate.

1.6.1 General Conduct

Councillors must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out their functions under the Local Government Act or any other Act. This is required under section 439 of the Local Government Act and reinforced in the Model Code of Conduct made under section 440.

1.6.2 Use of council resources

Councils should be mindful of the provisions in the Model Code of Conduct about the use of council resources to ensure that councillor expenses and facilities are not used inappropriately.

The Model Code of Conduct provides that council resources must be used ethically, effectively, efficiently and carefully. Council property including intellectual property, official services and facilities must not be misused by any person or body for private benefit or gain. Councillors must also avoid any action or situation that could create the appearance that council resources are being used inappropriately (clauses 10.12-10.14 and 10.15 refer).

A person's re-election is considered to be a personal interest. Official council material such as letterhead, publications, websites as well as council services and forums must not be used for such personal interests. Situations in which the appearance may be given that these are being used for such purposes are also to be avoided (clause 10.16 refers).

The fundraising activities of political parties, including political fundraising events, are considered to be personal interests. Councils should not pay expenses or provide facilities to councillors in relation to supporting and/or attending such activities and events.

In circumstances where it is appropriate for councillors to give a gift or benefit (for example, on a council business related trip or when receiving visitors), these gifts and benefits should be of token value and in accordance with a policy developed by the council. For clarification on what token gifts and benefits are see the Model Code of Conduct (clause 8.1)

Further discussion in relation to the use of council resources for communication expenses is in Part Two.

Excerpts from the Model Code of Conduct in relation to use of council resources are in Appendix I.

1.6.3 Accountability and transparency

Councillor expenses and facilities policies must include all of the specific expenses for which councillors are entitled to receive reimbursement and all of the specific facilities councillors are entitled to use. Councillors can only receive reimbursement for expenses and the use of facilities when these are clearly identified in the policy.

The overriding principle to be addressed in the development of a council expenses policy is that the details and range of expenses paid and facilities provided to councillors by the council must be clearly and specifically stated and be fully transparent and acceptable to the local community. Policies must include clear limits and processes for approval, reconciliation and reimbursement for all expenses and facilities to maximise accountability and transparency.

Comprehensive reporting requirements of the Regulation, as outlined in Appendix I of these guidelines, further reinforce accountability and transparency.

1.6.4 Private benefit

Councillors should not obtain private benefit from the provision of equipment and facilities, nor from travel bonuses such as 'frequent flyer' schemes or any other such loyalty programs while on council business. 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 a compensatory payment back to council.

Where more substantial private use does occur the Act provides that a payment may be made to cover the level of that private use (refer s252 (2)).

Councils are encouraged to include a statement in their councillor expenses and facilities policies clarifying that councillors should not obtain more than incidental private use of facilities. In situations where private use occurs, councils should also establish a suitable rate and/or mechanism for the reconciliation and reimbursement by councillors of that private use and include this in their policies.

1.6.5 General expense allowances

In accordance with clause 403 of the Regulation councillor expenses and facilities policies must not include provision for a general expense allowance. A general expense allowance is a sum of money paid by a council to a councillor to expend on an item or a service that is not required to be receipted and/or otherwise reconciled according to a set procedure and within a specific timeframe.

It is not appropriate or lawful for councils to pay general allowances unrelated to actual expenses incurred and which are designed to supplement councillors' annual fees.

Councils are encouraged to include a statement in their policies clarifying that general expense allowances will not be paid.

1.6.6 Limits

The payment of expenses and the provision of equipment and facilities to councillors must not be open-ended. However, these guidelines do not specify particular monetary limits. Rather, councils must agree and set monetary limits to all expense provisions in their policy, where practicable and where appropriate, as well as standards for the provision of equipment and facilities provided to councillors. In doing so, councils need to consider what is a reasonable and acceptable level of provision.

Limits need to be clearly stated and, where appropriate, justified within councillor expenses and facilities policies. The duration for which the limits apply to should also be clearly set out, for example one financial year. For periods less than a full year, for example, after a local government general election, a council may choose to apply a limit for each expense worked out on a pro rata basis.

Identifying and publishing monetary limits allows members of the public to know the expected cost of providing services to councillors and to make comment during the public consultation phase of making or amending the policy. Having clear limits also avoids situations where councillors incur costs that are unforeseen or considered unreasonable by other councillors and the public.

1.6.7 Approval

The policy must set out approval arrangements for all expenses and facilities provided. It should ensure that, where possible, approval is sought and gained prior to expenses being incurred. In particular it should avoid any one person from being the sole decision maker.

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

Where approval at a full council meeting is not possible or appropriate then approval should be given jointly by the mayor and the general manager. If the mayor requires approval it should be given jointly by the deputy mayor or another councillor and the general manager.

Councils should establish and document an appropriate process to resolve any disputes that arise about the provision of expenses and facilities. This could

include a mechanism for disputed decisions to be reviewed by an independent person and/or by a full council meeting.

1.6.8 Reconciliation and reimbursement

Council expenses and facilities policies must include processes for the reconciliation and reimbursement of expenses, including a time limit for councillors to seek reimbursement for their expenses.

However, it is up to individual councils to determine the most appropriate procedure for reconciling and reimbursing costs and expenses taking into consideration issues of accountability and transparency as well as internal systems and resourcing.

Incidental expenses may not require specific receipts provided it can be demonstrated that expenditure was incurred and is not general in nature. Where receipts are not required it would be appropriate for councillors to certify that the expenditure was for the purpose intended. The level of supporting documentation should be commensurate with the nature of expenditure. For example expenditure on parking, tolls, refreshments and the like may only require a signed statement listing the payments.

1.6.9 Advance payments

When requested by a councillor, consideration should be given to the provision of an advance payment for the cost of a service associated with a civic duty. Advance payments can help ensure that councillors are able to fully participate in their civic duties without financial disadvantage.

Advance payments must always be reconciled at a future date within a timeframe stated in the policy. It is up to individual councils to determine the most appropriate means of reconciling such advance payments taking into account issues of accountability and transparency as well as internal systems and resourcing.

1.6.10 Recognising local differences

Individual policies should be sufficiently flexible and tailored to allow individual councils to determine what they can afford to pay and what is acceptable to their communities. They need to recognise the differences between councils in terms of levels of complexity of their governance, population size, the local economic and development environment, proximity to state borders and so on. These differences are broadly reflected in the various categorisations of councils, which have been determined by the Local Government Remuneration Tribunal to derive the level of annual fees paid to mayors and councillors.

1.6.11 Reasonable expenses, rates and facilities

These guidelines do not specify specific levels, rates or standards for the provision of expenses and facilities to councillors.

It is the responsibility of councils to define and establish in their policies what is reasonable, appropriate, responsible and acceptable based on considerations of what is required to enable councillors to effectively carry out their civic duties and what is acceptable to their communities.

Policies must adequately provide for councillors to be reimbursed for actual expenses incurred, or to be incurred, in the performance of their civic duties. Examples of appropriate expenses include training and development, conferences and seminars, travel, childcare, legal expenses and insurance.

Facilities, equipment and services should be provided that are appropriate to support mayors and councillors in undertaking their role as elected members of the council. Facilities should be provided to ensure the safety of councillors, for example the allocation of a safe and secure designated parking space at or near the council premises.

Council facilities, equipment and services are not to be used to produce election material or for any other political purposes.

Policies should also specify appropriate rates. For example, rates for childcare may be based on an appropriate employment award and rates for mileage or meals may be based on Australian Tax Office determinations. These should be clearly provided for and, where appropriate, justified in councils' policies.

It is expected that the needs of different councils would be reflected in the scale, scope and nature of expenses and facilities provided. It is expected that councils of an equivalent Local Government Remuneration Tribunal category would generally make similar provisions for expenses and facilities.

1.6.12 Participation, equity and access

Councillor expenses and facilities policies should be non-discriminatory, equitable and encourage participation on council of people from diverse backgrounds that represent the demographics of the local community. They should allow councillors to represent the community in different ways and take account of, as much as possible, individual differences.

Policies should encourage all members of the community from different walks of life, particularly under-represented groups such as those in primary caregiver roles, to seek election to council by ensuring that they would not be financially or otherwise disadvantaged in undertaking the civic duties of a councillor.

Policies should also take account of and make reasonable provision for the special needs of councillors to allow appropriate access to council premises

and facilities, and to maximise participation in the civic duties and business of council. Policies should include, for example, provision for sight or hearing impaired councillors and those with other disabilities. They should also make reasonable transportation provisions for those unable or unwilling to drive.

1.6.13 Relationship between annual fees and expenses

Policies prepared under these guidelines are not required to deal with councillors' annual fees. However, it is acknowledged that there is likely to be some correlation between the annual fees paid to mayors and councillors and the level and scope of expenses and facilities required and provided for in a councillor expenses and facilities policy.

Councillor expenses and facilities policies should set levels of expenses and facilities to realistically account for costs incurred by councillors independent of the level of their annual fees. This is consistent with the Local Government Remuneration Tribunal position that expenses reasonably incurred by councillors are outside provisions made under the annual fee determinations.

It is noted that some small country councils have in the past set a policy that requires councillors to pay for some or all of their expenses from their annual fee. This practice is strongly discouraged as it can have the effect of financially disadvantaging councillors. It may also have the effect of discouraging potential candidates from standing for election to councils.

In relation to annual fees, it should be noted that councils may only pay a deputy mayor part of the mayor's annual fee where a deputy mayor demonstrably acts in the role of the mayor. Such payment must only be done at the direction of the council and any amount paid to the deputy mayor must be deducted from the mayor's annual fee (section 249 of the Local Government Act).

Notes about specific expenses and facilities to assist councils in the development of a councillor expenses policy follow in Part Two. These notes do not form part of the mandatory guidelines.

1.7 Development, implementation, review and reporting requirements

1.7.1 Development and adoption of the policy

In accordance with section 253 of the Local Government Act, councils must give public notice of its intention to adopt or amend a councillor expenses and facilities policy and allow at least 28 days for public submissions.

Councils must consider any submissions received and make any appropriate changes to the policy. Councils do not need to give public notice of a proposed amendment to the policy, if the amendment is not substantial.

Within 28 days of adopting or amending the policy, the policy and details of submissions must be forwarded to the Deputy Director General (Local Government), Division of Local Government, Department of Premier and Cabinet.

Councils must submit their current, adopted policies to the Division by 30 November each year.

1.7.2 Implementation

Consistent with the principles outlined in these guidelines, councillor expenses and facilities policies should include clear provisions that assist in the equitable, transparent and accountable implementation of the policy.

The policy should clarify that the payment of general expense allowances is not allowed. The policy should also disallow, other than incidental, private benefit to councillors for expenses and facilities, unless a reasonable and clear mechanism for reconciliation and reimbursement of the private benefit gained is expressly outlined in the policy.

The policy should include clear limits for all expenses and facilities, where practicable.

It is particularly important that the policy includes a clear approval process for all expenses and facilities, where practicable, to avoid situations in which a councillor incurs and makes a claim for an expense considered to be outside the scope of the policy by the council.

1.7.3 Promotion and availability of the policy

Councils should promote their policies on the payment of expenses and the provision of facilities to councillors and to the community by placing these policies on their websites and making them readily accessible. Councils should ensure that the policy is easy to locate for viewing by the public.

1.7.4 Review

Councils are required to review their councillor expenses and facilities policies on an annual basis. Public notice must be given prior to the annual policy adoption process, even if the proposed amendments are not substantial.

Policies must also be submitted to the Deputy Director General (Local Government), Division of Local Government, Department of Premier and Cabinet within 28 days of adoption by a council, even if the policy remains unchanged.

Councils need not give public notice of a proposed amendment to their policies at other times if the council is of the opinion that the proposed amendments are

not substantial. The term 'not substantial' should be taken to mean minor changes to wording of the policy or changes to monetary provisions or rates that are less than 5%. It also means minor changes to the standard of the provision of equipment and facilities. Substantial amendments to the policy that could include larger changes to monetary limits than the limit noted above, and/or major changes to the standard of provision of equipment and facilities, will require public notice of the amendment. Any new category of expenses, facilities and equipment included in the policy will also require public notice.

1.7.5 Annual Reporting

In accordance with clause 217 of the Regulation and for the purposes of transparency and accountability, councils are required to include detailed information in their annual reports about the payment of expenses and facilities to councillors. This should not be seen as a disincentive for the payment of appropriate expenses and the provision of appropriate facilities to councillors.

Councils are required to report separately on:

General

- the total cost of expenses and the provision of facilities for the mayor and all councillors, as well as:

Provision of facilities

- the cost of the provision of dedicated office equipment allocated to councillors on a personal basis such as laptop computers, mobile phones, telephones and facsimile machines and Internet installed in the councillors' homes (including line rental and internet access). This item does not include the costs of using this equipment, such as calls.

Expenses

- the cost of phone calls including mobiles, home located landlines, facsimile and internet services
- spouse/ partner/ accompanying person expenses (limited to circumstances outlined in Part Two of these Guidelines)
- conference and seminar expenses
- training and skill development expenses
- interstate travel expenses (including subsistence and out-of-pocket expenses)
- overseas travel expenses (including subsistence and out-of-pocket expenses)
- care and other related expenses (of dependants to enable a councillor to undertake his or her civic functions).

Whether the above information is reported for each councillor or all councillors as a group is a matter for council to determine. This may be based on considerations of what is appropriate and what the community expects.

1.7.6 Reporting of additional expenses and facilities

In addition to the statutory reporting requirements, councils should report other costs where these are significant.

For example, councils should report the cost of any additional significant expenses and/or facilities provided for in their policy.

Further details of relevant legislative provisions for development, implementation, review and reporting of councillor expenses and facilities policies are in Appendix I to these guidelines.

Part Two

Notes to assist councils to develop a councillor expenses and facilities policy

The following notes do not form part of the guidelines. They are provided to clarify various issues and provide examples in relation to specific expenses and facilities to assist councils to prepare their councillor expenses and facilities policies. Councils should use these notes as appropriate to need and circumstances.

2.1 Policy control information

As for any council policy, standard information about the date the policy was adopted, amendment date/s and the responsible council division should be included to make it easy to track changes and to ensure good policy version control.

Related policies, procedures or other documents should also be clearly identified, where appropriate.

2.2 General provisions for inclusion

Consistent with the principles outlined in these guidelines, councillor expenses and facilities policies should include:

statement disallowing the payment of general expense allowances

statement disallowing, other than incidental, private benefit from expenses and facilities - unless the policy expressly allows this and there is a reasonable and clearly outlined mechanism for reimbursement of the private benefit gained

clear limits for all expenses and facilities, where practicable

clear processes for approval, reconciliation and reimbursement for all expenses and facilities, where practicable.

2.3 Provisions for specific expenses

2.3.1 Attendance at seminars and conferences

Councils may provide specific guidance in their policies in regard to the type of seminars and conferences that may be attended, the number of councillors who may attend and approval arrangements.

Requests for attending conferences should generally be in writing outlining the benefits for council. After returning from the conference the councillor/s, or a member of council staff accompanying the councillor/s, should provide a written report to council on the aspects of the conference relevant to council business and/or the local community. No written report should be required for the Annual Conferences of the Local Government and Shires Associations.

Councils should pay conference registration fees charged by the conference organisers including the costs of related official lunches and dinners, and associated tours where they are relevant to the business and interests of the council.

Councils should meet the reasonable cost of transportation and accommodation associated with attendance at the conference, and meals when they are not included in the conference fees.

2.3.2 Training and development

Councils should provide for training and development in their policies and make separate provision in their budgets for the payment of training and development expenses for councillors.

This is in accordance with NSW Government policy, which aims to ensure that councillors have adequate training and skills development to ensure they carry out their functions effectively. The Division of Local Government is currently implementing a Councillor Development Strategy to ensure that councillors have access to the training and resources needed to understand and undertake their role effectively and to facilitate continuing professional development opportunities.

Councils are also being encouraged to develop, fund and implement a councillor training and development program based on a systematic skills analysis and assessment of professional development needs of their councillors. The nature of this program will vary from council to council depending on resources and need. Guidance on the preparation of professional development programs for councillors may be found in the Division's *Councillor Induction and Professional Development Guide* on our website at www.dlg.nsw.gov.au.

Councillor expenses and facilities policies should support and encourage an active learning process and skills development in addition to providing for

attendance at seminars and conferences related to council functions. It is essential where council is paying these expenses that the training or educational course is directly related to the councillor's civic functions and responsibilities.

2.3.3 Travel

General travel

The policy should clarify that all travel by councillors should be undertaken by utilising the most direct route and the most practicable and economical mode of transport subject to any personal medical considerations.

Local travel

The policy should provide for the payment of reasonable travel expenses for local travel relating to defined council business.

For example, the policy could include arrangements for the use of a private vehicle and provisions for the use of public transport, taxis, hire cars, travel using a council vehicle and associated other costs such as parking and road tolls. The policy should clarify that the driver is personally responsible for all traffic or parking fines incurred while travelling in private or council vehicles on council business.

Intrastate travel

Councils should decide whether it is reasonable to require prior approval for intrastate travel depending on factors such as the purpose, travel distance and whether flights and/or overnight accommodation is required. For example, travel to a conference in a distant local government area may require an application for approval including full details of the travel, such as itinerary, costs and reasons for the travel. Travel to a neighbouring local government area may generally be treated as local travel.

Interstate travel

Prior approval of travel should generally be required for interstate travel. The application for approval should include full details of the travel, including itinerary, costs and reasons for the travel. An exception would be for situations in which border councils travel to meetings or forums in neighbouring councils across the border. In such cases this may be treated as local travel.

Overseas travel

It is strongly recommended that councils scrutinise the value and need for councillors to undertake overseas travel. Councils should avoid international visits unless direct and tangible benefits can be established for the council and the local community.

Detailed proposals for overseas travel should be developed, including nomination of the councillors undertaking the trip, purpose of the trip and expected benefits. The duration, itinerary and approximate total costs of each proposed visit, should also be provided.

Overseas travel must be approved by a meeting of the full council prior to a councillor undertaking the trip. Travel must be approved on an individual trip basis. Councils should not allow the retrospective reimbursement of overseas travel expenses unless prior authorisation of the travel has been obtained.

Travel proposals should be included in the council business papers. The use of a mayoral minute to obtain council approval for travel is not appropriate as it is not consistent with principles of openness and transparency.

After returning from overseas, councillors, or an accompanying member of council staff, should provide a detailed written report to council on the aspects of the trip relevant to council business and/or the local community. Councillors are also strongly encouraged to report back on their overseas travel to a full meeting of the council.

Details of overseas travel must also be included in councils' annual reports. Councils are also required to report on the benefits of any proposed overseas sister city relationships.

2.3.4 Accommodation costs

Councils may make specific provision in the policy in regard to an appropriate standard of accommodation for councillors attending conferences, seminars and other functions.

2.3.5 Incidental expenses

Reasonable out of pocket or incidental expenses associated with councillors attending conferences, seminars or training courses may be reimbursed provided that it can be demonstrated that the expenses were actually incurred and that established reconciliation procedures are followed, for example, the completion of a claim form. A claim form must include an itemised account of expenditure and should not be general in nature.

Incidental expenses could reasonably include telephone or facsimile calls, refreshments, internet charges, laundry and dry cleaning, newspapers, taxi fares and parking fees. In addition, the cost of meals not included in the registration fees for conferences or similar functions may be reimbursed after reconciliation. It is expected that councils would specify daily limits to these out of pocket or incidental expenses in their policy. All advanced payments are required to be reconciled.

2.3.6 Legal expenses

Where a council decides to include provisions in its councillor expenses and facilities policy to indemnify or reimburse a councillor's reasonable legal costs properly incurred, the policy should specify that the reasonable legal expenses of a councillor may only be met for legal proceedings being taken against a councillor in defending an action arising from the performance in good faith of a function under the Local Government Act (section 731 refers) or defending an action in defamation, provided that the outcome of the legal proceedings is favourable to the councillor.

Reasonable legal costs may also be available for an inquiry, investigation or hearing into a councillor's conduct by an appropriate investigative or review body including:

- (i) Local Government Pecuniary Interest and Disciplinary Tribunal
- (ii) Independent Commission Against Corruption
- (iii) Office of the NSW Ombudsman
- (iv) Division of Local Government, Department of Premier and Cabinet
- (v) NSW Police Force
- (vi) Director of Public Prosecutions
- (vii) Council's Conduct Review Committee/Reviewer.

This is provided that the subject of the inquiry, investigation or hearing arises from the performance in good faith of a councillor's functions under the Act and the matter before the investigative or review body has proceeded past any initial assessment phase to a formal investigation or review. In the case of a conduct complaint made against a councillor, legal costs should only be made available where a matter has been referred by a general manager to a conduct reviewer/conduct review committee to make formal enquiries into that matter in accordance with the procedures in the Model Code of Conduct. In the case of a pecuniary interest or misbehaviour matter legal costs should only be made available where a formal investigation has been commenced by the Division of Local Government.

In addition, legal costs must only be provided where the investigative or review body makes a finding that is not substantially unfavourable to the councillor. This may include circumstances in which a matter does not proceed to a finding. In relation to a councillor's conduct, a finding by an investigative or review body that an inadvertent minor technical breach had occurred may not necessarily be considered a substantially unfavourable outcome.

A council must not meet the legal costs of legal proceedings initiated *by* a councillor under any circumstance.

A council must not meet the legal costs of a councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation.

Legal costs must not be met for legal proceedings that do not involve a councillor performing their role as a councillor.

A council may lawfully obtain insurance cover against the risk of having to meet the reasonable legal costs of a councillor, or to reimburse those costs, provided that the costs or reimbursements are ones that the council is authorised to meet.

It is important that council has a clear approvals process in place to ensure approval is sought and gained, where possible, prior to legal expenses being incurred.

The above information is in accordance with and replaces the provisions in relation to legal expenses for councillors in Circular to Councils 05/08 *Legal assistance for councillors and council employees* and of the model policy set out in the *Local Government Law Guide*, Sly and Weigall in association with Deacons, Graham & James (June 1994) p 322, point 252.3(6).

2.3.7 Insurance

Section 382 of the Act requires a council to make arrangements for its adequate insurance against public liability and professional liability.

The policy should include a section outlining insurance provisions for councillors and as a minimum these insurances should cover:

- Public liability (for matters arising out of councillors' performance of their civic duties and/or exercise of their council functions)
- Professional indemnity (for matters arising out of councillors' performance of their civic duties and/or exercise of their functions).

Councils could also give consideration to providing additional insurance for councillors to cover:

- Personal injury while on council business. Note that councillors are not covered by workers' compensation payments or arrangements.
- Travel insurance for approved interstate and overseas travel on council business.

All insurances are to be subject to any limitations or conditions set out in the council's policy of insurance.

2.3.8 Communication expenses

The Division advises against councils including provision in their policies for expenses for individual councillors or groups of councillors to produce and disseminate personalised pamphlets, newsletters and the like.

Regardless of intention such activities may be perceived as using council resources for private political benefit and would therefore be contrary to the spirit of the Local Government Act and the Model Code of Conduct.

This is particularly the case in the lead up to local government elections. Not only is it likely that the community would perceive pamphlets and newsletters by individual councillors at this time to be a misuse of resources for private re-election benefit, but the use of council resources for such a purpose inequitably raises the profile of current councillors over other prospective candidates.

While the facilitation of communication between the community and the council is acknowledged as an important role of a councillor, there are many other more appropriate ways that councils do this effectively, including via corporate publications and community newsletters, surveys, focus groups, websites and public meetings.

However, if communication expenses are to be provided to individual councillors, policies should include strict limits, guidelines and controls to manage the content, format and approval process for any publications produced, not least because such materials will appear to be council endorsed. Councils should also consider setting a reasonable and appropriate timeframe for ceasing payment of expenses for communication activities by individual councillors prior to their ordinary elections until after the elections.

2.3.9 Telecommunications

Councils should establish a monthly monetary limit for the cost of official mobile, landline and facsimile calls made by councillors. A system should also be established to reconcile all telephone call costs claimed with account statements. Councils should also consider limiting expenses for internet use.

2.3.10 Attendance at dinners and other non-council functions

The policy may address the issue of councillors' attendance at formal dinners and other non-council functions.

Consideration may be given to meeting the cost of councillors' attendance at dinners and other non-council functions that provide briefings to councillors from key members of the community, politicians and business. Approval to meet expenses should only be given when the function is relevant to the council's interest. Only the cost of the service provided should be met.

No payment should be made by a council for attendance by a councillor at any political fundraising event, for any donation to a political party or candidate's electoral fund, or for some other private benefit. Councils should ascertain whether any expenses to be incurred would be directed towards such events and activities prior to approving expenditure.

2.3.11 Care and other related expenses

Councils are strongly encouraged to make provision for the reimbursement of the reasonable cost of care arrangements, including childcare expenses and the care of elderly, disabled and/or sick immediate family members of councillors, to allow councillors to undertake their council business obligations. This is in accordance with the principles of participation, access and equity outlined earlier in these guidelines. This is considered by the Division of Local Government to be a legitimate expense and councillors claiming the care expense should not be subject to criticism for doing so.

Consideration should be given to the payment of other related expenses associated with the special requirements of councillors such as disability and access needs to allow performance of normal civic duties and responsibilities.

2.3.12 Expenses for spouses, partners and accompanying persons

There may be limited instances where certain costs incurred by the councillor on behalf of their spouse, partner or accompanying person are properly those of the councillor in the performance of his or her functions. An accompanying person is a person who has a close personal relationship with the councillor and/or provides carer support to the councillor.

Meeting the reasonable costs of spouses and partners or an accompanying person for attendance at official council functions that are of a formal and ceremonial nature, is considered appropriate when accompanying councillors within the local government area. Such functions would be those that a councillor's spouse, partner or accompanying person could be reasonably expected to attend. Examples could include but not be limited to Australia Day award ceremonies, citizenship ceremonies, civic receptions and charitable functions for charities formally supported by the council.

Limited expenses of spouses, partners or accompanying persons associated with attendance at the Local Government and Shires Associations' annual conferences could be met by councils. These expenses should be limited to the cost of registration and official conference dinners. Travel expenses, any additional accommodation expenses, and the cost of partner/accompanying person tours etc would be the personal responsibility of individual councillors.

Consideration should also be given to the payment of expenses for the spouse, partner or accompanying person of a mayor, or a councillor when they are representing the mayor, when they are called on to attend an official function of council or carry out an official ceremonial duty while accompanying the mayor outside the council's area, but within the State. Examples could include charitable functions to which the mayor has been invited and award ceremonies and other functions to which the mayor is invited to represent the council.

The above circumstances should be distinguished from spouses, partners or accompanying persons who accompany a councillor at any event or function

outside the council area, including interstate and overseas, where the costs and expenses of the spouse or partner or accompanying person should not be paid by council (with the exception of attendance at the Local Government and Shires Associations annual conferences, as noted above).

The above examples should also be distinguished from circumstances where spouses, partners or accompanying persons accompany councillors at seminars and conferences and the like. In these situations all costs, including any additional accommodation costs, must be met by the councillor or the spouse/partner/accompanying person.

The payment of expenses for spouses, partners or accompanying persons for attending appropriate functions as permitted above should be confined specifically to the ticket, meal and/or the direct cost of attending the function. Peripheral expenses incurred by spouses, partners or accompanying persons such as grooming, special clothing and transport are not considered reimbursable expenses.

2.4 Provision of facilities, equipment and services

2.4.1 Provision of facilities, equipment and services for councillors

The following are examples of equipment, facilities and services that could be included in the policy and provided to mayors and councillors. The provision of facilities, equipment and services is not limited to this list:

- Office equipment (phones, fax, photocopier)
- Mobile phone
- Internet
- Dedicated computer equipment including a desktop and/or laptop, printer, scanner and software
- Furnished councillors' room
- Secretarial and administrative support
- Stationery, office supplies, postage, business cards and other consumables
- Non-dedicated council vehicle
- Car parking set aside for the sole use of councillors
- Meals and refreshments
- Meals on evenings of council meetings and official dinners, light refreshments at committee and working party meetings
- Corporate clothing and protective clothing and equipment.

2.4.2 Provision of additional facilities, equipment and services for mayors

In addition to the facilities, equipment and services provided to councillors, certain additional facilities may be provided to a mayor to recognise the special

role, responsibilities and duties of the position both in the council and in the community.

Provision of a motor vehicle

Generally, a fully serviced and maintained vehicle, including a fuel card, should be provided for the sole use of the mayor. The type of motor vehicle and all conditions of use should be specified in the policy.

Councillors, including the mayor, should only obtain incidental private benefit from the provision of a motor vehicle for official use unless the policy specifically provides for private use and has a mechanism in place for a payment to be made for that private use. This mechanism should be outlined in a council's expenses and facilities policy. For an example of an appropriate method of reconciling private usage see 1.6.11.

Other equipment, facilities and services

Other equipment to be provided for the use of the mayor may include, but is not be limited to:

- Ceremonial clothing including mayoral robes, chains of office
- Dedicated staff support, including secretarial services
- Furnished mayoral office
- Allotted parking space at the council premises.

2.4.3 Acquisition and return of equipment and facilities by councillors

Councils should provide details of arrangements for councillors to return equipment and other facilities to the council after the completion of their term of office, extended leave of absence or at the cessation of their civic duties.

The policy should provide the option for councillors to purchase council equipment previously allocated to them at the cessation of their duties. If the item is for sale it should be purchased at an agreed fair market price or written down value.

Appendix I

Legislative and policy requirements

3.1 Provisions under the Local Government Act 1993

3.1.1 General policy-making requirements

Section 252 of the Local Government Act requires councils to adopt or amend a policy annually for the payment of expenses and the provision of facilities to mayors, deputy mayors and other councillors. Mayors and councillors can only be reimbursed for expenses and provided with facilities in accordance with this policy.

Section 252 also makes provision for a council to reduce the amount payable to mayors and councillors (under sections 248-251 of the Act) by the amount representing any private benefit of a facility provided by the council to them. It also requires that the policy be made under the provisions of this Act, the Regulation and any relevant guidelines issued under section 23A of the Act (these guidelines).

Section 252 (Payment of expenses and provision of facilities) states:

(1) Within 5 months after the end of each year, a council must adopt a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor (if there is one) and the other councillors in relation to discharging the functions of civic office.

(2) The policy may provide for fees payable under this Division to be reduced by an amount representing the private benefit to the mayor or a councillor of a facility provided by the council to the mayor or councillor.

(3) A council must not pay any expenses incurred or to be incurred by, or provide any facilities to, the mayor, the deputy mayor (if there is one) or a councillor otherwise than in accordance with a policy under this section.

(4) A council may from time to time amend a policy under this section.

(5) A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A.

3.1.2 Policy development, review and submission requirements

Section 253 of the Act specifies actions that council must undertake before a policy concerning expenses and facilities can be adopted or amended. It requires councils to make and submit their expenses and provision of facilities policies annually to the Division of Local Government.

Section 253 (Public notice of proposed policy or amendments concerning expenses and facilities) states:

(1) A council must give public notice of its intention to adopt or amend a policy for the payment of expenses or provision of facilities allowing at least 28 days for the making of public submissions.

(2) Before adopting or amending the policy, the council must consider any submissions made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment.

(3) Despite subsections (1) and (2), a council need not give public notice of a proposed amendment to its policy for the payment of expenses or provision of facilities if the council is of the opinion that the proposed amendment is not substantial.

(4) Within 28 days after adopting a policy or making an amendment to a policy for which public notice is required to be given under this section, a council is to forward to the Director-General:

(a) a copy of the policy or amendment together with details of all submissions received in accordance with subsection (1), and

(b) a statement setting out, for each submission, the council's response to the submission and the reasons for the council's response, and

(c) a copy of the notice given under subsection (1).

(5) A council must comply with this section when proposing to adopt a policy each year in accordance with section 252 (1) even if the council proposes to adopt a policy that is the same as its existing policy.

Section 254 of the Act requires that a part of a council or committee meeting which considers the adopting or amending of such a policy must not be closed to the public.

3.1.3 The role of a councillor

Section 232 of the Local Government Act defines the role of a councillor. It provides that councillors have two distinct roles; as a member of the governing body of the council; and as an elected person. Councils as members of the governing body should work as part of a team to make decisions and policies that guide the activities of the council. The role as an elected person requires councillors to represent the interests of the community and provide leadership. Councillor expenses and facilities policies should facilitate and assist councillors to carry out their role.

Section 232 (What is the role of a councillor?) states:

(1) *The role of a councillor is, as a member of the governing body of the council:*

- *to direct and control the affairs of the council in accordance with this Act*
- *to participate in the optimum allocation of the council's resources for the benefit of the area*
- *to play a key role in the creation and review of the council's policies and objectives and criteria relating to the exercise of the council's regulatory functions*
- *to review the performance of the council and its delivery of services, and the management plans and revenue policies of the council.*

(2) *The role of a councillor is, as an elected person:*

- *to represent the interests of the residents and ratepayers*
- *to provide leadership and guidance to the community*
- *to facilitate communication between the community and the council.*

3.1.4 Other requirements

Section 12 provides that the public is able to inspect during office hours at the council, and at no charge, the current version and the immediately preceding version of the council's expenses and facilities policy. The public are also entitled to a copy of the policy either free of charge or on payment of a reasonable copying charge.

Section 23A makes provision for the Director General of the former Department of Local Government to prepare, adopt or vary guidelines that relate to the exercise by a council of any of its functions. It also requires that a council must take the relevant guidelines into consideration before exercising any of its functions.

3.2 Provisions under the Local Government (General) Regulation 2005

Clause 217 of the Regulation requires councils to include detailed information in their annual reports about the payment of expenses and facilities to councillors.

Clause 217 (Additional information for inclusion in annual reports) states in part:

(1) *For the purposes of section 428 (2) (r) of the Act, an annual report of a council is to include the following information:*

- (a) *details (including the purpose) of overseas visits undertaken during the year by councillors, council staff or other persons while representing the council (including visits sponsored by other organisations),*

(a1) details of the total cost during the year of the payment of the expenses of, and the provision of facilities to, councillors in relation to their civic functions (as paid by the council, reimbursed to the councillor or reconciled with the councillor), including separate details on the total cost of each of the following:

(i) the provision during the year of dedicated office equipment allocated to councillors on a personal basis, such as laptop computers, mobile telephones and landline telephones and facsimile machines installed in councillors' homes (including equipment and line rental costs and internet access costs but not including call costs),

(ii) telephone calls made by councillors, including calls made from mobile telephones provided by the council and from landline telephones and facsimile services installed in councillors' homes,

(iii) the attendance of councillors at conferences and seminars,

(iv) the training of councillors and the provision of skill development for councillors,

(v) interstate visits undertaken during the year by councillors while representing the council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses,

(vi) overseas visits undertaken during the year by councillors while representing the council, including the cost of transport, the cost of accommodation and other out-of-pocket travelling expenses,

(vii) the expenses of any spouse, partner or other person who accompanied a councillor in the performance of his or her civic functions, being expenses payable in accordance with the Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors for Local Councils in NSW prepared by the Director-General from time to time,

(viii) expenses involved in the provision of care for a child of, or an immediate family member of, a councillor, to allow the councillor to undertake his or her civic functions.

Clause 403 disallows the payment of a general expense allowance and for a vehicle to be made available for the exclusive use of a councillor other than the mayor.

Clause 403 (Payment of expenses and provision of facilities) states:

A policy under section 252 of the Local Government Act 1993 must not include any provision enabling a council:

(a) to pay any councillor an allowance in the nature of a general expense allowance, or

(b) to make a motor vehicle owned or leased by the council available for the exclusive or primary use or disposition of a particular councillor other than a mayor.

3.3 Other NSW Government policy provisions

3.3.1 Division of Local Government Guidelines

As noted above under section 252(5) of the *Local Government Act 1993* the council expenses policy must comply with these guidelines issued under section 23A of the Act.

3.3.2 Circulars to Councils

The policy must take into account the following Circulars.

- Circular 08/24 *Misuse of council resources.*
- Circular 08/37 *Council decision making prior to ordinary elections*

As previously stated, these guidelines replace any previous versions of these Guidelines and Circular 04/60 *Policy on payment of facilities to the mayor, deputy mayor and other councillors.*

3.3.3 The Model Code of Conduct for Local Councils in NSW (DLG)

The policy should be consistent with the *Model Code of Conduct for Local Councils in NSW, Department of Local Government – June 2008*. The following parts of the code are particularly relevant to s252 policies:

Use of council resources (pp 23-24)

10.12 You must use council resources ethically, effectively, efficiently and carefully in the course of your official duties, and must not use them for private purposes (except when supplied as part of a contract of employment) unless this use is lawfully authorised and proper payment is made where appropriate.

10.14 You must be scrupulous in your use of council property, including intellectual property, official services and facilities and should not permit their misuse by any other person or body.

10.15 You must avoid any action or situation, which could create the appearance that council property, official services or public facilities are being improperly used for your benefit or the benefit of any other person or body.

10.16 The interests of a councillor in their re-election is considered to be a personal interest and as such the reimbursement of travel expenses incurred

on election matters is not appropriate. Council letterhead, council crests and other information that could give the impression it is official council material must not be used for these purposes.

10.17 You must not convert any property of the council to your own use unless properly authorised.

3.3.4 Councillor Induction and Professional Development Guide (DLG)

The policy provisions on training and development should integrate with any training and development policy, plan or program developed by the council. The Division has produced a *Councillor Induction and Professional Development Guide* (September 2008) to assist councils to develop these programs.

3.3.5 No Excuse for Misuse, preventing the misuse of council resources (ICAC)

Councils should also be aware of and take account of the Independent Commission Against Corruption (ICAC) publication *No Excuse for Misuse, preventing the misuse of council resources (Guidelines 2)* November 2002. This publication is available on the ICAC website in at www.icac.nsw.gov.au.

Appendix II

A suggested format for a policy for the payment of expenses and the provision of facilities for mayors and councillors

Part 1 INTRODUCTION

- **Title and commencement of the Policy**
- **Purpose of the Policy**
The purpose of the policy is to ensure that councillors receive adequate and reasonable expenses and facilities to enable them to carry out their civic duties. It ensures that these are provided in an accountable and transparent manner.
- **Objectives and scope of the Policy**
- **Making and adoption of the Policy**
- **Legislative provisions**
Local Government Act 1993 and Local Government (General) Regulation 2005
- **Other Government policy provisions**
DLG Guidelines for the payment of expenses and the provision of facilities to Mayors and Councillors, Model Code of Conduct for Local Councils in NSW and Circulars to Councils
ICAC publications

Part 2 PAYMENT OF EXPENSES

GENERAL PROVISIONS

- **Payment of expenses generally (principles and processes)**
No general expense allowance
Monetary limits for all expenses
No private benefit unless payment made
No use of council resources for political purposes
Gifts and benefits to be of token value
Participation, equity and access
Approval and dispute resolution processes
Reimbursement and reconciliation of expenses processes
Payment in advance process

SPECIFIC EXPENSES FOR COUNCILLORS (including limits)

- Attendance at seminars and conferences
- Training and educational expenses
- Local travel arrangements and expenses
- Travel outside the LGA including interstate travel, accommodation and incidental expenses
- Legal expenses
- Insurance expenses
- Telecommunications/internet
- Care and other related expenses
- Spouse and partner expenses

ADDITIONAL EXPENSES FOR MAYORS

- Additional expenses provided

Part 3 PROVISION OF FACILITIES

GENERAL PROVISIONS

- **Provision of facilities generally (principles and processes)**
Private use of facilities and mechanism for reimbursement

PROVISION OF EQUIPMENT AND FACILITIES FOR COUNCILLORS

- Equipment and facilities provided

PROVISION OF ADDITIONAL EQUIPMENT AND FACILITIES FOR MAYORS

- Additional equipment and facilities provided

Part 4 OTHER MATTERS

- Acquisition and returning of facilities and equipment by Councillors
- Status of the Policy

**CCL 24/05/2022 – PUBLIC EXHIBITION OF COUNCILLOR
EXPENSES AND FACILITIES POLICY**

ITEM-42 **Page 76** **Attachment D:** City of Newcastle's Councillor
Expenses and Facilities Policy (August 2018)

DISTRIBUTED UNDER SEPARATE COVER

Councillor Expenses and Facilities

August 2018

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Part A Maximum Limits of expenditure

Table of Expenses

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
1.	Official Business	<p>1. Tickets to attend events and functions connected to the civic role of the Lord Mayor or Councillor or events providing the opportunity for Councillors to keep up to date with contemporary issues facing CN, the community, and local government in NSW.</p> <p>2. Travel and accommodation expenses incurred in connection with attending Official Business, including:</p> <ul style="list-style-type: none"> ▪ Flights ▪ Public transport fares ▪ Use of a private vehicle or hire car ▪ Taxi fare or equivalent (such as Uber) ▪ Parking ▪ Tolls ▪ Overnight accommodation ▪ The reasonable cost of meals not provided as part of the registration fee. 	<p>\$2,000 per Councillor \$2,000 for the Lord Mayor (in addition to Councillor Limit)</p> <p>Note: Maximum limits do not apply to overseas travel. Cost of overseas travel will be paid in accordance with a resolution of Council.</p>	Per Year

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
2.	Professional Development	<p>1. Cost of attendance at training programs and courses that will help the Lord Mayor and Councillors to acquire and maintain the knowledge and skills necessary to perform their roles.</p> <p>2. Professional memberships</p> <p>3. Travel and accommodation expenses incurred in attending Professional Development, including:</p> <ul style="list-style-type: none"> ▪ Flights ▪ Public transport fares ▪ Use of a private vehicle or hire car ▪ Taxi fare or equivalent (such as Uber) ▪ Parking ▪ Tolls ▪ Overnight accommodation <p>The reasonable cost of meals not provided as part of the registration fee.</p>	\$5,000 per Councillor	Per Year
3.	Australian Institute of Company Directors course (or equivalent type learning opportunity)	Cost of enrolment in the Australian Institute of Company Directors Course (AICD) (or equivalent type learning opportunity).	\$4,000 per Councillor, in addition to the annual Professional Development allowance in the year the course is undertaken.	Per Term

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
4.	Accompanying Person	Ticket for an Accompanying Person where it is appropriate for an Accompanying Person to attend Official Business, such as: <ul style="list-style-type: none"> ▪ Australia Day award ceremonies ▪ citizenship ceremonies ▪ civic receptions ▪ community functions held within or contributing to the local government area ▪ charitable functions formally supported by CN. 	\$500 per Councillor \$500 for the Lord Mayor (in addition to Councillor limit)	Per Year
5.	Local Government NSW Conference/ National General Assembly	<ol style="list-style-type: none"> 1. Registration fees 2. Tickets to the official dinner for Councillor and Accompanying Person 3. Travel and accommodation expenses incurred in attending: <ul style="list-style-type: none"> ▪ Flights ▪ Public transport fares ▪ Use of a private vehicle or hire car ▪ Taxi fare or equivalent (such as Uber) ▪ Parking ▪ Tolls ▪ Overnight accommodation <p>The reasonable cost of meals not provided as part of the registration fee.</p>	\$20,000 maximum limit for Council's representation at both events (shared among the elected representatives)	Per Year

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
6.	Information and communications technology (ICT) devices, equipment and expenses	Issue of: <ul style="list-style-type: none"> ▪ Mobile phones ▪ Mobile computing device (such as a tablet or iPad) ▪ Printer (on request). Payment of: <ul style="list-style-type: none"> ▪ Mobile phone call costs ▪ Data package ▪ IT support. 	\$4,000 per Councillor	Per Term
7.	Stationery and office supplies	On request, issue of: <ul style="list-style-type: none"> ▪ Stationery and office supplies ▪ Postage costs ▪ Newspapers / digital subscriptions ▪ Business cards ▪ Name badge ▪ Christmas cards. 	\$500 per Councillor	Per year
8.	Carer expenses	Reimbursement of carer's expenses to attend Official Business	\$6000 per Councillor	Per Year

Notes:

- A. CN may, by resolution, increase a Maximum Limit for a particular event in exceptional circumstances. Otherwise, expenses not explicitly addressed in this Policy will not be paid or reimbursed.
- B. All monetary amounts are exclusive of GST.
- C. A report summarising Councillor expenses will be presented to Council quarterly.

Annual Fees

Expenses and provisions of facilities to the Lord Mayor and Councillors are in addition to the payment of an annual fee which is paid in accordance with sections 248-251 of the Act. The annual fee is set based on determinations made by the Local Governance Remuneration Tribunal.

In accordance with the Australian Taxation Office Interpretative Decision 2007/205, Councillors may request to forego all or part of their annual fee in exchange for CN making contributions to a complying superannuation fund on their behalf.

Part B Preliminary

1 Purpose

- 1.1 The purpose of this Policy is to ensure:
- 1.1.1 the Lord Mayor and Councillors are provided with appropriate and reasonable expenses and facilities to enable them to carry out their civic functions;
 - 1.1.2 the Lord Mayor and Councillors are not financially disadvantaged in performing their roles;
 - 1.1.3 inclusiveness and diversity of representation on the Council;
 - 1.1.4 expenses and facilities provided to the Lord Mayor and Councillors are transparent and accountable;
 - 1.1.5 the provision of expenses and facilities to the Lord Mayor and Councillors is in line with community expectations; and
 - 1.1.6 CN complies with the Act and Regulation.

2 Principles

- 2.1 City of Newcastle (CN) commits itself to the following principles:
- 2.1.1 **Proper conduct:** The Lord Mayor and Councillors must act lawfully and honestly, and exercise care and diligence in carrying out their functions in accordance with section 439 of the Act and CN's Code of Conduct.
 - 2.1.2 **Accountability and transparency:** Clearly stating and reporting on the expenses and facilities provided to the Lord Mayor and Councillors.
 - 2.1.3 **Reasonable expenses:** Providing for the Lord Mayor and Councillors to be reimbursed for expenses reasonably incurred as part of their role.
 - 2.1.4 **Sustainability:** Having regard to the environmental impact of travel by the Lord Mayor and Councillors.
 - 2.1.5 **Appropriate use of CN resources:** Providing clear direction on the appropriate use of CN resources in accordance with legal requirements and community expectations.

3 Scope

- 3.1 This Policy applies to the provision of facilities and payment of expenses to support Councillors in fulfilling their civic duties.

4 Private or political benefit

- 4.1 The Lord Mayor and Councillors must not obtain private or political benefit from any expense or facility provided under this Policy. Such conduct constitutes misuse of CN resources and may be a breach of CN's Code of Conduct.
- 4.2 CN acknowledges that private use of its equipment and facilities by the Lord Mayor and Councillors may occur from time to time. Incidental private use does not breach this Policy or CN's Code of Conduct.
- 4.3 The Lord Mayor and Councillors should avoid obtaining any greater benefit from CN than an incidental benefit. Where there are unavoidable circumstances and more substantial private use of CN equipment facilities does occur, the Lord Mayor and Councillors must reimburse CN in accordance with section 252(2) of the Act and clause 27 of this Policy.

- 4.4 Campaigns for re-election are considered to be a political benefit. The following are examples of what is considered to be a political benefit during a re-election campaign:
- 4.4.1 production of election material;
 - 4.4.2 postage costs of election material;
 - 4.4.3 use of CN resources and equipment for campaigning;
 - 4.4.4 use of official CN letterhead, publications, websites or services; and
 - 4.4.5 fundraising activities of political parties or individuals, including political fundraising events.

Part C Expenses paid to the Lord Mayor and Councillors

5 Official Business

- 5.1 CN will pay up to the Maximum Limit expenses incurred by the Lord Mayor and Councillors in attending Official Business in accordance with this Policy.
- 5.2 CN will also pay up to the Maximum Limit for the Lord Mayor and Councillors to attend conferences and seminars to keep up to date with contemporary issues facing CN, the community and local government in NSW.
- 5.3 Expenses of the Deputy Lord Mayor attending Official Business on behalf of Lord Mayor will be deducted from the Lord Mayor's limit.
- 5.4 Expenses for an Accompanying Person will be paid, up to the Maximum Limit, where it is considered appropriate an Accompanying Person attend Official Business.

6 Professional Development

- 6.1 The Act requires Councillors to make reasonable efforts to acquire and maintain the skills necessary to perform the role of a Councillor. CN supports the training, education and ongoing Professional Development of the Lord Mayor and Councillors to ensure they develop and maintain the knowledge and skills required to undertake their roles and responsibilities effectively.
- 6.2 In the first year of Council's term, CN will provide a comprehensive induction program for the Lord Mayor and Councillors which takes into account any guidelines issued by the OLG. The cost of the induction program will be in addition to the individual's Professional Development funding.
- 6.3 CN will pay, up to the Maximum Limit, Professional Development expenses incurred by the Lord Mayor and Councillors provided approval is granted in accordance with clause 21 having regard to:
 - 6.3.1 the suitability and relevance of the Professional Development to current CN priorities and business, and the exercise of the Lord Mayor's or Councillor's civic duties;
 - 6.3.2 the benefit of the Professional Development to CN and the Lord Mayor or Councillor; and
 - 6.3.3 whether the Professional Development should be offered to all Councillors.
- 6.4 Annual membership of professional bodies will be reimbursed where:

- 6.4.1 the membership is relevant to the exercise of the Councillor's or Lord Mayor's civic duties;
- 6.4.2 the Councillor or Lord Mayor actively participates in the body; and
- 6.4.3 the cost of membership is likely to be fully offset by savings from attending events as a member.

7 Australian Institute of Company Directors course

- 7.1 CN will pay expenses, up to the Maximum Limit, for the Lord Mayor and Councillors to complete the Australian Institute of Company Directors (AICD) course (or equivalent type learning opportunity).
- 7.2 The Lord Mayor and Councillors may only claim expenses for the AICD course within the first two years of their first Term as a Councillor.
- 7.3 The Lord Mayor and Councillors must seek upfront approval in accordance with clause 21 prior to enrolling in the AICD course. The Lord Mayor and Councillors are required to provide CN with evidence of successful completion of the course.
- 7.4 CN will seek reimbursement from the Lord Mayor or Councillor, in accordance with clause 26, if the Lord Mayor or Councillor does not successfully complete the course, at the determination of the CEO.

8 Travel and accommodation within Australia

- 8.1 The Lord Mayor and Councillors will be reimbursed up to the Maximum Limit for travel associated with Official Business or Professional Development within Australia where attendance is relevant to their official functions/role as the Lord Mayor or Councillor.
- 8.2 All travel by the Lord Mayor and Councillors should be undertaken using the most direct route and the most practicable and economical mode of transport.
- 8.3 Allowances for the use of a private vehicle will be reimbursed by kilometre at the rate contained in the Local Government (State) Award. The Lord Mayor and Councillors seeking to be reimbursed for use of a private vehicle must keep a log book recording the date, distance and purpose of travel being claimed and provide a copy of it as part of their claim.
- 8.4 Actual expenses incurred for accommodation and meals (breakfast, lunch and dinner) not include in a registration fee will be paid for travel outside of the Newcastle area in accordance with the rates set out in the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009 up to the Maximum Limit.
- 8.5 Accommodation standard is to be determined on best value and government rates should be utilised where possible. Generally the accommodation standard is to be equivalent of 4 stars.

9 Travel and accommodation overseas

- 9.1 Official Business overseas may be approved by a resolution of Council where there are tangible benefits for CN and the local community. The Council should consider the value and need for the Lord Mayor and Councillors to undertake Official Business overseas when determining such approvals.
- 9.2 Each occasion of Official Business overseas must be approved in advance by a Council resolution with the Council resolution detailing:
 - 9.2.1 objectives to be achieved through the Official Business overseas, including an explanation of how the Official Business aligns with current CN priorities and business, the community benefits that will be accrued

as a result, and its relevance to the exercise of the Lord Mayor or Councillor's civic duties;

- 9.2.2 who is to take part in the Official Business overseas;
 - 9.2.3 the duration and itinerary of the Official Business overseas;
 - 9.2.4 a detailed budget including a statement of any amounts expected to be reimbursed by the Lord Mayor or Councillors themselves.
- 9.3 For Official Business overseas, the class of air travel is to be premium economy if available. Otherwise, the class of travel is to be economy.
- 9.4 Once approved by the Council, bookings for Official Business overseas will be undertaken by the CEO and Manager Legal.
- 9.5 For travel and accommodation expenses that are reimbursed as Official Business, the Lord Mayor and Councillors must not accrue points from any loyalty programs or programs that aim to reward users of their services/products. This includes frequent flyer, flybuys, velocity points, and everyday rewards. Accrual of points is considered a private benefit.
- 9.6 Subject to the approving resolution of Council, it is expected that within a reasonable period of returning from Official Business overseas, the Lord Mayor and/or Councillor submit a report to, or briefing to, the Council outlining the relevance of the trip to CN and the local community.

10 Attendance at the Local Government NSW Annual Conference or the National General Assembly

- 10.1 CN will pay the following expenses, up to the Maximum Limit, for the Lord Mayor and Councillors nominated by the Council to attend the Local Government NSW Annual Conference or the National General Assembly:
- 10.1.1 travel and accommodation costs in accordance with this Policy;
 - 10.1.2 registration for the delegate; and
 - 10.1.3 tickets to the official dinner for the delegate and the delegate's Accompanying Person.

11 Meals and refreshments for Council meetings

- 11.1 Appropriate refreshments will be available for the Lord Mayor and Councillors during Council meetings and workshops.

12 Special requirements and carer expenses

- 12.1 CN encourages wide participation and interest in civic office and seeks to ensure that our premises and facilities are accessible, including making provisions for sight or hearing impaired Councillors and those with other disabilities.
- 12.2 The CEO may authorise the provision of reasonable additional facilities and expenses in order to enable the Lord Mayor or a Councillor with a disability perform their civic duties.
- 12.3 The Lord Mayor and Councillors who are the principal carer of a child or elderly, disabled and/or sick immediate family member will be entitled to reimbursement of carer's expenses up to the Maximum Limit where the Lord Mayor or Councillor is required to attend Official Business, plus reasonable travel from and to the principal place of residence.

- 12.4 Child carer expenses may be claimed for children up to and including the age of 16 years where the carer is not a relative.
- 12.5 CN will reimburse reasonable child care expenses up to the Maximum Limit less any Child Care rebates or benefits paid by the Federal Government.
- 12.6 In the event of caring for an adult person, the Lord Mayor and Councillors will need to provide suitable evidence with their claim that reimbursement is appropriate. This may take the form of advice from a medical practitioner.

13 Information and communications technology (ICT) device and equipment expenses

- 13.1 CN will provide the Lord Mayor and Councillors (up to the Maximum Limit) with ICT devices and equipment as determined from time to time such as a mobile phone, tablet (iPad) and printer (where required).
- 13.2 CN will pay, up to the Maximum Limit, the following expenses associated with the maintenance and operation of ICT devices and equipment provided in accordance with this Policy:
 - 13.2.1 Mobile phone call costs;
 - 13.2.2 Data package;
 - 13.2.3 IT support; and
 - 13.2.4 Repairs or replacement.

14 Expenses not paid by CN

- 14.1 CN will not pay any traffic or parking fines, or administrative charges for road toll accounts.
- 14.2 CN will not pay for or reimburse the Lord Mayor or a Councillor for any component of a ticket price that is additional to the actual cost of the service, such as a donation to a charity, political party or candidate's electoral fund.

Part D Provision of facilities to the Lord Mayor and Councillors

15 Facilities and provision - Council Chamber and City Administration Centre

- 15.1 CN will provide the following to the Lord Mayor and Councillors to assist them in effectively discharging their civic duty:
 - 15.1.1 access to meeting room facilities;
 - 15.1.2 access to technical resources including CN information, policies and relevant legislation; and
 - 15.1.3 three car parking spaces at CN's City Administration Centre to be shared among Councillors while attending CN offices on Official Business.

16 Office supplies and facilities

- 16.1 CN will provide or make available, up to the Maximum Limit, office supplies and facilities.

17 Additional facilities, support and expenses for the Lord Mayor

- 17.1 CN recognises the role of Lord Mayor and will provide, the following additional facilities:
- 17.1.1 a maintained vehicle to a similar standard of other CN vehicles and a fuel card for use to attend Official Business and Professional Development and attendance at the Lord Mayor's Office;
 - 17.1.2 a car parking space at CN's City Administration Centre;
 - 17.1.3 furnished office, with computer, printing and copying facilities, internet access;
 - 17.1.4 reasonable office refreshments such as tea, coffee and biscuits;
 - 17.1.5 daily newspapers / digital subscriptions;
 - 17.1.6 Lord Mayoral Chains of Office and robes for official, civic and ceremonial use;
 - 17.1.7 Lord Mayoral letterhead; and
 - 17.1.8 corporate credit card for the payment of expenses incurred in accordance with this Policy.
- 17.2 Staff for the Lord Mayor's Office as determined by the CEO in consultation with the Lord Mayor (consistent with the Instrument of Delegation to the Lord Mayor).
- 17.3 When deputising for the Lord Mayor, the Deputy Lord Mayor will be provided with reasonable access to and use of the facilities provided to the Lord Mayor under this Policy. Expenses incurred during this time related to the use of facilities will be deducted from the Lord Mayor's budget.

18 Return of equipment and facilities

- 18.1 If the Lord Mayor or a Councillor ceases to hold office, the Lord Mayor or Councillor will return all CN equipment and facilities provided to them under this Policy to CN unless purchased by the Councillor for fair market value as determined by the CEO.
- 18.2 The prices for all equipment purchased by the Lord Mayor and Councillors under clause 18.1 will be recorded in CN's Annual Report.
- 18.3 Where the Lord Mayor or a Councillor does not return CN equipment and facilities to CN upon ceasing to hold office as a Lord Mayor or a Councillor, CN will invoice them for the costs of those items, based on fair market value as determined by the CEO.

19 CN programs

- 19.1 CN will provide the Lord Mayor and Councillors with access to:
- 19.1.1 CN's Employee Assistance Program in accordance with CN's Employee Assistance Program guidelines.
 - 19.1.2 CN's Corporate Fitness Program in accordance with CN's Corporate Fitness Information Booklet.
 - 19.1.3 tickets to productions, exhibitions, or events presented, sponsored or hosted by CN (where these are made available to CN).

20 Gifts

- 20.1 In circumstances where it is appropriate for the Lord Mayor or a Councillor to give a gift (such as when representing CN on Official Business), appropriate civic gifts of token value will be provided by CN.

Part E Approval of payment and reimbursements to the Lord Mayor and Councillors

21 Assessment and approval of claims and reimbursements

- 21.1 Claims for payment of an expense incurred by the Lord Mayor or a Councillor will be assessed in accordance with the relevant clauses of this Policy, by at least two of the following:
- 21.1.1 the CEO;
 - 21.1.2 the Director Governance;
 - 21.1.3 the Chief Financial Officer; or
 - 21.1.4 the Manager Legal.
- 21.2 Generally, approval for expenses should be obtained before the expense is incurred.
- 21.3 If a claim is approved, CN will make payment directly or reimburse the Lord Mayor or Councillor through accounts payable. In some cases, an advance cash payment may be offered to the Lord Mayor or Councillors to facilitate bookings.
- 21.4 If a claim is refused, CN will inform the Lord Mayor or Councillor in writing that the claim has been refused and the reasoning.

22 Process for payments made directly by CN

- 22.1 If requested by the Lord Mayor or a Councillor, CN will pay, up to the Maximum Limit, directly for expenses incurred in accordance with this Policy.
- 22.2 Requests for direct payment must:
- 22.2.1 be submitted via the Online Councillor Expenses Claim form found on the Councillors' HUB; and
 - 22.2.2 provide sufficient information and time to allow assessment of the claim.
- 22.3 All claims for direct payment will be assessed in accordance with clause 21.

23 Process for advance payments

- 23.1 If requested by the Lord Mayor or a Councillor, CN will provide an advance payment, up to the Maximum Limit, for expenses incurred in relation to approved Official Business and/or Professional Development.
- 23.2 Requests for advance payment must:
- 23.2.1 be submitted via the Online Councillor Expenses Claim form found on the Councillors' HUB; and
 - 23.2.2 provide sufficient information and time to allow assessment of the claim.
- 23.3 If the Lord Mayor or a Councillor receives an advance payment from CN, the Lord Mayor or Councillor must, within 10 days of the event, provide to CN:

- 23.3.1 a full reconciliation of all expenses including receipts; and
- 23.3.2 a reimbursement of any amount of the advance cash payment that was not spent in attending to Official Business and/or Professional Development.

23.4 All claims for advance payment will be assessed in accordance with clause 21.

24 Process for reimbursement

24.1 Reimbursement claims must be lodged within 28 days of the expense being incurred. For example, generally claims for expenses incurred in January must be lodged by the end of February. The claim should:

- 24.1.1 be submitted via the Online Councillor Expenses Claim form found on the Councillors' HUB;
- 24.1.2 provide sufficient information to allow assessment of the claim; and
- 24.1.3 attach relevant tax invoices and receipts; or
- 24.1.4 if it is not possible to attach tax invoices and receipts, provide a statutory declaration explaining the calculation of the claim and why it should be paid

24.2 All claims for reimbursement will be assessed in accordance with clause 21. If a claim is lodged after the time period provided in clause 24.1, it may be refused.

25 Lord Mayor's corporate credit card

25.1 The Lord Mayor is provided with a corporate credit card to pay for expenses incurred in accordance with this Policy up to the Maximum Limit.

25.2 Expenses relating to the Lord Mayor's Office and staff within the Office must be incurred in accordance with other relevant CN policies (including but not limited to CN's Procurement Policy).

26 Reimbursement to Council

26.1 If CN has incurred an expense on behalf of the Lord Mayor or a Councillor that exceeds a Maximum Limit, exceeds reasonable incidental private use or is not provided for in this Policy:

- 26.1.1 CN will invoice the Lord Mayor or Councillor for the expense; and
- 26.1.2 the Lord Mayor or Councillor will reimburse CN for that expense within 14 days of the invoice date.

26.2 Invoices for actual costs incurred by the Lord Mayor or a Councillor for private benefits will be issued where actual costs can be ascertained (for example costs of private use of a mobile phone will be calculated based on the mobile phone account).

26.3 Invoices for private use of a CN motor vehicle will be calculated using the rate contained in the Local Government (State) Award.

Part F Insurance and legal expenses

27 Insurances

- 27.1 In accordance with section 382 of the Act, CN's insurances provide insurance cover for the Lord Mayor and each Councillor while attending Official Business and/or Professional Development.
- 27.2 Insurance protection is only provided if a claim arises out of or in connection with the Lord Mayor's or Councillor's performance of his or her civic duties, or exercise of his or her functions as Lord Mayor or a Councillor. All insurances are subject to any limitations or conditions set out in the respective insurance policies.
- 27.3 CN will pay the insurance policy excess in respect of any claim accepted by CN's insurers, whether defended or not.
- 27.4 Appropriate travel insurances will be provided for the Lord Mayor and Councillors travelling on approved interstate and overseas travel on Official Business.

28 Legal assistance

- 28.1 CN may, if requested, indemnify or reimburse the reasonable legal expenses of:
 - 28.1.1 The Lord Mayor or a Councillor defending an action arising from the performance in good faith of a function under the Act provided that the outcome of the legal proceedings is favourable to the Lord Mayor or Councillor;
 - 28.1.2 The Lord Mayor or a Councillor defending an action in defamation, provided the statements complained of were made in good faith in the course of exercising a function under the Act and the outcome of the legal proceedings is favourable to the Lord Mayor or Councillor;
 - 28.1.3 The Lord Mayor or a Councillor for proceedings before an appropriate investigative or review body, provided the subject of the proceedings arises from the performance in good faith of a function under the Act, and the matter has proceeded past any initial assessment phase to a formal investigation or review and the investigative or review body makes a finding substantially favourable to the Lord Mayor or Councillor.
- 28.2 In the case of a Code of Conduct complaint made against the Lord Mayor or a Councillor, legal costs will only be made available where the matter has been referred by the CEO to a conduct reviewer, the conduct reviewer has commenced a formal investigation of the matter and makes a finding substantially favourable to the Lord Mayor or Councillor.
- 28.3 In the case of a pecuniary interest misbehaviour matter, legal costs will only be made available where a formal investigation has been commenced by the OLG and the OLG makes a finding substantially favourable to the Lord Mayor or Councillor.
- 28.4 Legal expenses incurred in relation to proceedings arising out of the performance by the Lord Mayor or a Councillor of his or her functions under the Act are distinguished from expenses incurred in relation to proceedings arising merely from something that the Lord Mayor or a Councillor has done during his or her term in office. For example, expenses arising from an investigation as to whether the Lord Mayor or a Councillor acted corruptly would not be covered by this section.
- 28.5 CN will not pay the Lord Mayor or a Councillor's legal expenses if:

- 28.5.1 the legal proceedings were initiated by the Lord Mayor or a Councillor under any circumstances;
 - 28.5.2 the Lord Mayor or a Councillor is seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation;
 - 28.5.3 the legal proceedings do not involve the Lord Mayor or a Councillor performing their role as Lord Mayor or Councillor.
- 28.6 Reimbursement of reasonable legal expenses must be approved in advance by a Council resolution.

Part G Miscellaneous

29 Dispute

- 29.1 If the Lord Mayor or Councillor disputes a determination under this Policy, the Councillor should discuss the matter with the CEO.
- 29.2 If the Lord Mayor or Councillor and the CEO cannot resolve the dispute, the Councillor may submit a Notice of Motion to Council seeking to have the dispute resolved.

Part H Reporting

30 Annual report

- 30.1 The CEO will include information on expenses and facilities provided under this Policy in CN's Annual Report in accordance with the Act and Regulation.

31 Auditing

- 31.1 The operation of this Policy, including claims made under the Policy, will be included in CN's audit program and an audit undertaken every Term.

32 Breaches

- 32.1 Suspected breaches of this Policy must be reported to the CEO.
- 32.2 Alleged breaches of this Policy will be dealt with in accordance with CN's Code of Conduct and CN's Procedures for the Administration of the Code of Conduct.

Annexure A - Definitions

Accompanying Person means a spouse, partner, de-facto or other person who has a close personal relationship with, or provides carer support to a Councillor.

Act means the *Local Government Act 1993* (NSW).

CEO means Chief Executive Officer of the City of Newcastle and includes their delegate or authorised representative.

References to the Chief Executive Officer are references to the General Manager appointed under the *Local Government Act 1993* (NSW).

City of Newcastle means Newcastle City Council.

CN means City of Newcastle.

Council means the elected Council.

Maximum Limit means the maximum monetary amount CN has approved to pay to Councillors for facilities and expenses.

Official Business means events and functions connected to the civic role of the Lord Mayor or Councillor or events providing the opportunity for Councillors to keep up to date with contemporary issues facing CN and the community, and local government in NSW.

OLG means Office of Local Government.

Professional Development means training programs and courses/programs that will help the Lord Mayor and Councillors to acquire and maintain the knowledge and skills necessary to perform their roles.

Regulation means the *Local Government (General) Regulation 2005* (NSW).

Term means duration or period whereby an elected official holds their position in office. Local government terms are usually for a period of four (4) years unless otherwise determined by the Minister of Local Government.

Year means the 12 month period commencing on 1 July each year.

Unless stated otherwise, a reference to a section or clause is a reference to a section or clause of this Policy.

Annexure B - Policy Authorisations

Function	Position Number / Title
Approve payment or reimbursement of expenses in accordance with this Policy	Any two of: <ul style="list-style-type: none">• CEO• Director Governance• Chief Financial Officer• Manager Legal

Document Control

Policy title	Councillor Expenses and Facilities Policy
Policy owner	Legal
Policy expert/writer	Legal and Governance Officer
Prepared by	Legal
Approved by	Elected Council
Date approved	28/08/2018
Commencement Date	28/08/2018
Next revision date (date policy will be revised)	28 August 2021
Termination date	28 August 2022
Version	Eight
Category	Council
Keywords	Lord Mayor, Councillors, expenses, facilities, travel, professional development, communication
Details of previous versions	Version seven - ECM 4769769
Legislative amendments	NIL
Relevant strategic direction	Open and Collaborative Leadership
Relevant strategy	Open and Transparent Governance Strategy
Relevant legislation/codes (reference to specific sections)	<i>Local Government Act 1993</i> (NSW) - section 232, 252, 253, 254, 382, 439, 440 <i>Local Government (General) Regulation 2005</i> (NSW) - cl. 217, 403 CN's Code of Conduct
Related policies/documents	Office of Local Government - 17-17 Councillor Expenses and Facilities Policy - Better Practice Template (27/06/2017) Office of Local Government - Guidelines for the Payment of Expenses and the Provision of Facilities to Mayors and Councillors in NSW (October 2009) - prepared under the provisions of section 23A of the Act Australian Taxation Office Interpretative Decision 2007/205 Local Government (State) Award NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009

	CN's Procedures for the Administration of the Code of Conduct Procurement Policy Corporate Fitness Information Booklet Employment Assistance Program Policy
Related forms	Online Councillor Expenses claim form
Required on website	Yes
Authorisations	Functions authorised under this policy at Annexure B