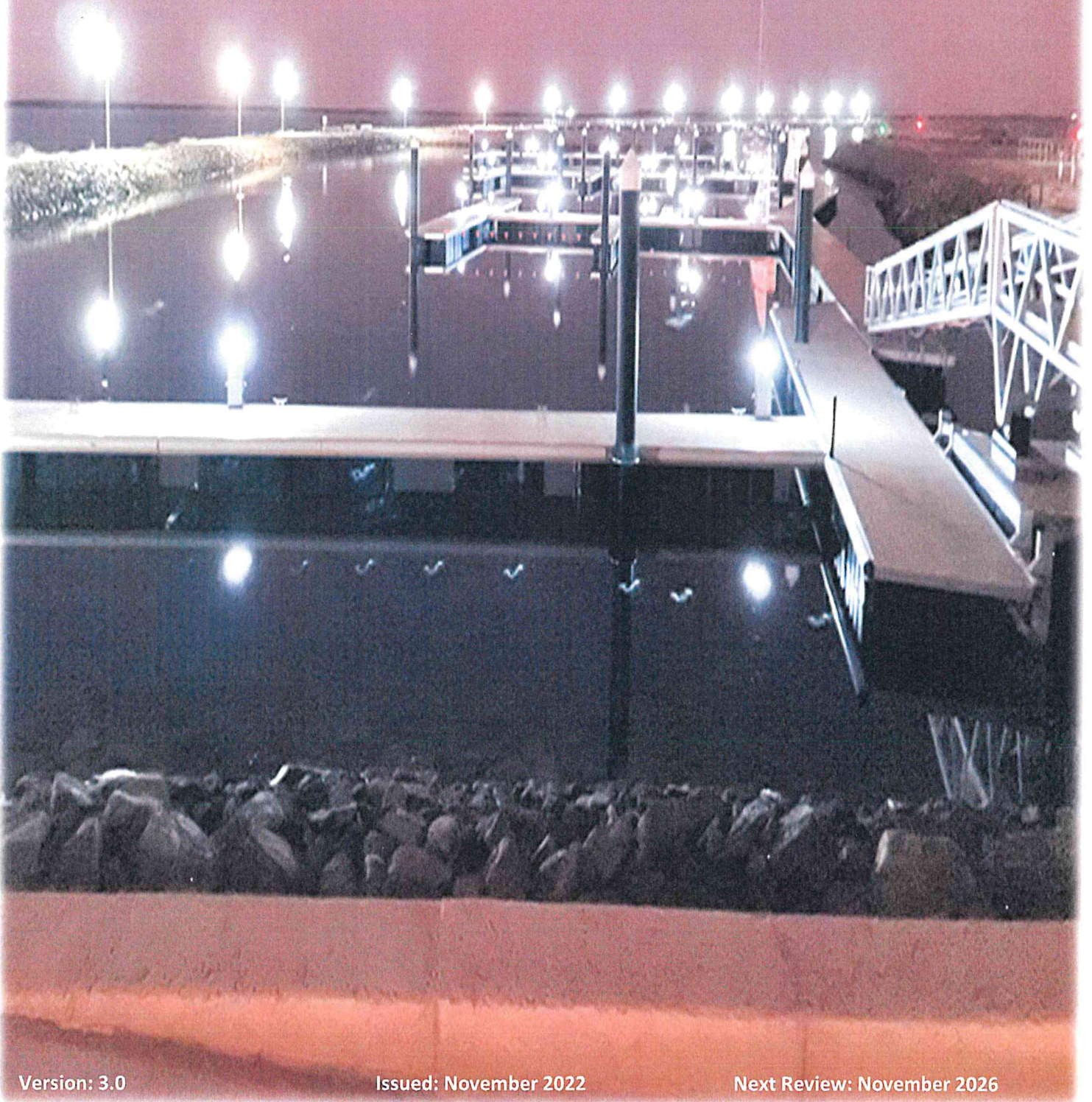




Elected Members Allowances and Benefits Policy





ELECTED MEMBERS ALLOWANCES AND BENEFITS POLICY

Version No:	3.0
Issued:	Nov 2022
Next Review:	Nov 2026

Policy Name:	Elected Members Allowances and Benefits Policy
Responsibility:	Chief Executive Officer
Version:	3.0
Effective Date:	14 December 2022
Last revised date:	November 2018
Minute reference:	108/12/22
Next review date:	Next periodic election
Applicable Legislation:	<i>Local Government Act 1999</i> sections 76-79 <i>Local Government (Members Allowances and Benefits) Regulations 2010</i>
Related Policies:	
Related Documents/Procedures	Register of Allowances and Benefits

1. Introduction

- 1.1. The District Council of Franklin Harbour (“Council”) will ensure that the payment of Council Members’ allowances, the reimbursement of expenses and the provision of benefits by the Council is accountable and transparent and in accordance with the *Local Government Act 1999* (“the Local Government Act”) and the *Local Government (Members Allowances and Benefits) Regulations 2010* (“the Allowances Regulations”).
- 1.2. This Policy sets out the provisions of the Local Government Act and Regulations in respect of Council Member allowances, expenses, and support. This Policy is also provided in accordance with Section 77(1)(b) of the Local Government Act by specifying the types of expenses that will be reimbursed without the need for specific approval of Council every time a claim is made.
- 1.3. Council Members are paid an allowance for performing and discharging their functions and duties on Council. Section 59 of the Local Government Act provides that the role of a Council Member, as a member of the governing body of the Council, is:
 - (i) to act with integrity;
 - (ii) to ensure positive and constructive working relationships within the council;
 - (iii) to recognise and support the role of the principal member under the Local Government Act;
 - (iv) to develop skills relevant to the role of a member of the council and the functions of the council as a body;
 - (v) to participate in the deliberations and activities of the council;
 - (vi) to keep the council’s objectives and policies under review to ensure that they are appropriate and effective; and
 - (vii) to keep the council’s resource allocation, expenditure and activities, and the efficiency and effectiveness of its service delivery, under review;
 - (viii) to ensure, as far as is practicable, that the principles set out in section 8 of the Local Government Act are observed;



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- (ix) to participate in the oversight of the chief executive officer's performance under the council's contract with the chief executive officer; and
- (x) to serve the overall public interest.

1.4. Section 58 of the Local Government Act specifies the role of the Principal Member as leader of the Council is:

- (a) to provide leadership and guidance to the council; and
- (b) to lead the promotion of positive and constructive working relationships among members of the council; and
- (c) to provide guidance to council members on the performance of their role, including on the exercise and performance of their official functions and duties; and
- (d) to support council members' understanding of the separation of responsibilities between elected representatives and employees of the council; and
- (e) to preside at meetings of the council; and
- (f) to liaise with the chief executive officer between council meetings on the implementation of a decision of the council; and
- (g) to act as the principal spokesperson of the council; and
- (h) to exercise other functions of the council as the council determines; and
- (i) to carry out the civic and ceremonial duties of the office of principal member.

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

1.6. This Policy, in its entirety, will automatically lapse at the next general election of this Council.

2. Policy Objective

2.1. To ensure Council Member allowances, the reimbursement of expenses, and the provision of benefits, facilities, and support by the Council are in accordance with the requirements of the Local Government Act and the Allowances Regulations.

3. Scope & Responsibilities

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

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

- (a) maintain the Register of Allowances and Benefits;
- (b) adjust allowances paid to Council Members (on the first, second and third anniversaries of the relevant periodic elections to reflect changes in the Consumer Price Index ("CPI")); and
- (c) ensure copies of this Policy are published on a website and able to be provided in printed form on request and on payment of a fee (if any) fixed by the Council.



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3.3. In addition, the Chief Executive Officer is responsible for:

- (a) implementing and monitoring expense reimbursement procedures in accordance with the Local Government Act, the Allowances Regulations, this Policy and any associated procedure; and
- (b) ensuring a copy of this Policy is provided to all Council Members.

4. Policy Principles

4.1. This Policy is underpinned by the following principles:

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

5. Allowances

- 5.1. Council Member allowances are determined by the Remuneration Tribunal on a four-yearly basis with each determination required to be made 14 days before the close of nominations for each set of periodic elections held under the *Local Government (Elections) Act 1999*.
- 5.2. The relevant determination for the Council term commencing in November 2022 is *Determination No. 2 of 2022 – Allowances for Members of Local Government Councils*.
- 5.3. The allowance determined by the Remuneration Tribunal will be payable for the period:
 - commencing on the conclusion of the 2022 periodic election; and
 - concluding at the time the last result of the 2026 periodic election is certified by the Electoral Commissioner under the *Local Government (Elections) Act 1999*.
- 5.4. The annual allowance for a Council Member is determined according to the relevant Council Group. There are six Council Groups which are each explained within the Determination of the Remuneration Tribunal.
- 5.5. The District Council of Franklin Harbour has been identified as falling within Group 5 in the current Remuneration Tribunal Determination, with an initial council member annual allowance of \$7,192.00.
- 5.6. The annual allowance for:



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

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

- 5.7. Council Member allowances are to be adjusted on the first, second, and third anniversaries of the relevant periodic elections to reflect changes in the CPI (All groups index for Adelaide). Adjustments will occur on 10 November 2023, 10 November 2024, and 10 November 2025. The change in the Consumer Price Index to be applied will be the most recently available annual percentage change in the Consumer Price Index as at the date of adjustment (which will likely be the most recent relevant September quarter figure).
- 5.8. In accordance with regulation 4 of the Allowances Regulations (and for the purposes of section 76 of the Local Government Act), an allowance may be paid in instalments up to 3 months in advance or 3 months in arrears of each month in respect of which an instalment is payable.
- 5.9. District Council of Franklin Harbour Council Member Allowances will be paid 3 monthly in arrears by electronic funds transfer to a nominated bank account.
- 5.10. A statement of earnings will be provided to Council Members at the conclusion of each financial year.

6. Leave of absence – council member contesting election

- 6.1. If a Council Member stands as a candidate for election as a member of State Parliament, section 55A of the Local Government Act automatically grants a leave of absence from the date on which nominations for the relevant election close until the result of the election is publicly declared.
- 6.2. During the leave of absence period the Council Member:
- is not entitled to receive any Council Member allowance or reimbursement of expenses; and
 - must not use any facility, service or other form of support provided by the Council; and
 - must not carry out any function or duty as a Council Member.
- 6.3. A maximum penalty of \$15,000 applies for a breach of this section of the Local Government Act.

7. Mandatory Reimbursements – Travel (Section 77(1)(a))

- 7.1. Council Members are entitled to receive reimbursement for travelling expenses actually and necessarily incurred by the Council Member for travel within the Council area and associated with attendance at a “prescribed meeting” (section 77(1)(a) of the Local Government Act).
- 7.2. A “prescribed meeting” is defined under the Allowances Regulations to mean a meeting of the Council or Council committee, or an information or briefing session, discussion, workshop, training course or similar activity which is directly or closely related to the performance or discharge of the roles or duties of the Member:



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- 7.3. Reimbursement for travel expenses is restricted to “eligible journeys” (as defined in Regulation 3) provided the journey is by the shortest or most practicable route and to the part of the journey within the Council area ie any travelling outside the Council area in order to attend Council or Council committee meetings is not reimbursable under section 77(1)(a) of the Local Government Act. For reimbursement for travel outside the Council area refer to Prescribed and Approved Reimbursements below.
- 7.4. An “eligible journey” means a journey (in either direction) between the principal place of residence, or a place of work, of a Council Member, and the place of a prescribed meeting.
- 7.5. Where a Council Member travels by private motor vehicle, the rate of reimbursement is at a rate equal to the appropriate rate per kilometre (determined according to the engine capacity of the vehicle) prescribed for the purposes of calculating deductions for car expenses under section 28.25 of the *Income Tax Assessment Act 1997* of the Commonwealth¹.
- 7.6. Travelling by taxi, bus or other means of public transport is reimbursed on the basis of expenses “actually and necessarily incurred” but is still limited to “eligible journeys” by the shortest or most practicable route and to the part of the journey that is within the Council area.
- 7.7. The Council may aggregate claims for reimbursement of expenses that relate to journeys that do not exceed 20 kilometres and then pay them on either a quarterly or monthly basis.

8. Mandatory Reimbursements – Child/Dependant Care (Section 77(1)(a))

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

9. Additional expense reimbursements (Section 77(1)(b))

- 9.1. There may be additional expenses incurred by Council Members (not included in the mandatory reimbursements outlined above) that can be reimbursed by the Council. Section 77(1)(b) of the Local Government Act provides that the Council may approve the reimbursement of additional expenses incurred by Council Members, as provided for in the Allowances Regulations, either on a case-by-case basis or under a policy adopted by Council.
- 9.2. Regulation 6 sets out the additional expenses that may be reimbursed under section 77(1)(b) with the approval of the Council.
- 9.3. For the purposes of this Policy, and pursuant to section 77(1)(b) of the Local Government Act, the Council approves the reimbursement of additional expenses of Council Members as described below.

¹ Section 28.25 of the *Income Tax Assessment Act 1997* (Cwth) relates to the ‘cents per kilometre’ method. The Commissioner for Taxation may, by legislative instrument, determine rates of cents per kilometre for cars for an income year. Refer to ato.gov.au for cents per kilometre rates.



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9.3.1. Travel

The following travel related expenses incurred by a Council Member are eligible for reimbursement:

- Travel related to attendance at a Council or Council committee meeting being an “eligible journey” (as defined in Regulation 3), as it is attributable to travel outside the Council area, up to the appropriate km rate, or an equivalent airfare.
- Council Members will receive reimbursement for expenses incurred in travelling to a function or activity on Council business. The following conditions apply to these expenses:
 - travel both within and outside the Council area must be incurred by the Council Member as a consequence of attendance at a function or activity on the business of Council. A “function or activity on the business of the Council” includes official Council functions including Mayoral receptions, opening ceremonies, dinners, citizenship ceremonies and official visits etc.; inspection of sites within the Council area which relate to Council or Committee agenda items; meetings of community groups and organisations as a Council representative; but not to attend meetings of community groups or organisations when fulfilling the role as a Member of the Board of any such community group or organisation.
 - reimbursement is restricted to the shortest or most practicable route
- where a Council Member travels by private motor vehicle, the rate of reimbursement is at a rate equal to the appropriate rate per kilometre (determined according to the engine capacity of the vehicle) prescribed for the purposes of calculating deductions for car expenses under section 28.25 of the *Income Tax Assessment Act 1997* of the Commonwealth.
- car parking fees will be reimbursed (where they are a consequence of a Council Member attending a function or activity on the business of the Council).
- travel by taxi, bus, plane (specify in what circumstances), or other means of public transport will be reimbursed on the basis of being expenses where they are incurred as a consequence of the Member’s attendance at a function or activity on the business of the Council however such travel must still be by the shortest or most practicable route.

Note: Consideration should also be given to any additional restrictions eg budget allocation and the production of relevant receipts or other evidence of expenditure.

9.3.2. Travel time payment

Pursuant to the Determination made by the Remuneration Tribunal, Council Members (excluding Principal Members) of non-metropolitan Councils are eligible for payment for a travel time payment where the Council Member’s usual place of residence is within the relevant Council area and is located:

- a) **at least 30kms but less than 50km** distance from that Council’s principal office, via the most direct road route
- b) **at least 50km but less than 75km** distance from that Council’s principal office, via the most direct road route
- c) **at least 75kms but less than 100kms** from that Council’s principal office, via the most direct road route;



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- d) **100km or more** distance from that Council’s principal office, via the most direct road route

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

9.3.3. Care and other expenses

The following Care and Other expenses incurred by a Council Member are eligible for reimbursement:

- Expenses incurred for the care of a child of a Council Member or a dependant of the Council Member requiring full-time care as a consequence of the Council Member’s attendance at a function or activity on the business of Council (other than expenses for which the Member is reimbursed under section 77 (1)(a) of the Local Government Act).
- Expenses incurred by the Council Member as a consequence of the Council Member’s attendance at a conference, seminar, training course or other similar activity that is directly or closely related to the performance or discharge of the roles or duties of the Council Member (other than expenses for which the Member is reimbursed under section 77(1)(a) of the Local Government Act). Expenses will only be reimbursed for attendance at conferences, seminars, etc which have been approved by Council or under delegation/policy, eg under Council’s ‘Council Member Training and Development Policy’. Where attendance at the conference, seminar etc is approved, the following types of expenses can be reimbursed: airfares, registration fees, accommodation, meals, taxi fares, car parking and incidentals.
- Expenses incurred in the use of a telephone, internet, or other communication device on the business of the Council, eg Internet connection costs, computer software, applications for electronic tablets/devices, printer cartridge, contribution towards mobile telephone account etc.

10. Facilities and support

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

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

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

- Business cards
- Limited secretarial support, eg typing of delegates reports for Council meetings



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

- they are necessary or expedient for the Council member to perform or discharge his/her official functions or duties;
- the facilities remain the Council's property regardless of whether they are used off site or not; and
- they are not to be used for a private purpose or any other purpose unrelated to official Council functions, and duties, unless such usage has been specifically pre-approved by the Council and the Council Member has agreed to reimburse the Council for any additional cost or expenses associated with that usage.

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

- each Council Member is solely responsible for those facilities released into their care and/or control for the duration of their term in office;
- all facilities must be returned to the Council at the end of each term in office, upon the office of a Member of a Council becoming vacant, or earlier at the request of the Chief Executive Officer;
- if the facilities provided to the Council Member are damaged or lost, the Council Member must lodge a written report with the Council officer responsible for this Policy;
- The use of Council facilities, support and/or services by Council Members for campaign or election purposes is not permitted under any circumstances on the basis it is not necessary or expedient to the performance or discharge of a Council Member's official functions or duties under the Local Government Act. The use of such facilities for electoral purposes during the election period would be a breach of section 78(3) of the Local Government Act.

11. Claiming reimbursements

11.1. To receive reimbursement for expenses, each Council Member is required to:

- provide details of kilometres travelled and/or evidence of expenses incurred to support all reimbursements claimed.
- All claims for reimbursement must be submitted to the Chief Executive Officer (or other nominated and delegated officer) on the form/s provided for this purpose on a monthly basis for the purposes of maintaining the Register of Allowances and Benefits.
- Reimbursement of expenses will only be paid to a Council Member upon presentation of the form/s and adequate evidence supporting the claims made.

11.2. Receipts confirming the expenditure has been incurred must be provided with any claim made for reimbursement.



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12. Register of Allowances and Benefits

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

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


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

12.2. Reimbursements paid under section 77(1)(a) of the Local Government Act are not required to be recorded in the Register.

13. Review

13.1. A review of allowances and benefits paid to Council Members will be undertaken on an annual basis.

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

SIGNED:	
	Responsible Officer
Date:	<u>16 / 12 / 22</u>



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Appendix 1



Elected Members Personal Expenses Reimbursement Claim Form

Name:	
Address:	

Reimbursements for personal expenses incurred by Elected Members will only be made on request by the Elected Member and must be supported by receipts/documents.

All reimbursement requests must be authorised by Chief Executive Officer/Manager of Corporate Services.

Date of Purchase	Description of Purchase	Company/Person paid	Amount
Total amount to be reimbursed			\$

Travel to:	Reason for Travel	Distance Travelled
Total travel amount claimed	Km'S @ per Km. = \$	

I confirm that the above claims for reimbursement are true and accurate, have been actually and necessarily incurred in the performance of my official duties as a Council Member with the District Council of Franklin Harbour and are made in accordance with section 77(1)(a) of the *Local Government Act 1999* and Regulation 5 of the *Local Government (Members Allowances and Benefits) Regulations 2010*.

Signed: _____ **Date:** _____

Office Use Only		
Authorised:	Date:	
Paid (EFT No.)	Date	Amount

<https://franklinharbour.sharepoint.com/sites/Council/Shared Documents/Admin/Forms/Elected Members/Councillors Personal Expenses Claim Form. v2docx.docx>

