



**14.1 COUNCILLOR EXPENSES AND SUPPORT POLICY - ADOPTION**

**EXECUTIVE MEMBER: KYLIE BENNETTS, GENERAL MANAGER, CITY GROWTH AND ORGANISATIONAL CAPABILITY**

**PREPARED BY: RACHEL RUSSELL, MANAGER GOVERNANCE AND ORGANISATIONAL PERFORMANCE**

**1. PURPOSE**

- 1.1 This report presents to Council a summary of feedback received through community consultation on the interim Councillor Expenses and Support Policy and recommends adoption of the updated Policy required under the Local Government Act 2020 (the Act).

**2. EXECUTIVE SUMMARY**

- 2.1 The Local Government Act 2020 (the Act) required Council to adopt a policy by 1 September 2020 in relation to the reimbursement of out-of-pocket expenses for councillors and members of delegated committees.
- 2.2 In 2020, an internal audit was undertaken with respect to the Councillor Expenses and Support Policy. Given the timing of receiving the findings of this internal audit, the legislative requirement to adopt a policy by 1 September and Council's interest in undertaking community engagement on this policy, at its meeting of 19 August 2020, Council resolved to adopt an interim Councillor Expenses and Support Policy.
- 2.3 As part of this resolution Council requested that a community engagement process occur prior to commencement of the Caretaker period, and noted that feedback received through this process would be presented to the new Council for consideration before reviewing and adopting the final Councillor Expense Policy.
- 2.4 Council invited written submissions and community feedback on the draft Policy between 20 August 2020 to 18 September 2020 (4 weeks).
- 2.5 This report outlines the feedback received and recommends the adoption of a final Councillor Expenses and Support Policy.

**3. RECOMMENDATION**

That Council:

- 3.1 Receives the feedback provided by the community through the community engagement process and formally thanks those people who have provided feedback.
- 3.2 Adopts the Councillor Expenses and Support Policy, required under Section 41 of the Local Government Act 2020 as outlined in **Attachment 1**.
- 3.3 Authorises the Chief Executive Officer to finalise the document and make any minor amendments that do not materially alter the intent of the policy.

**4. KEY POINTS/ISSUES**

**4.1 Legislative Context**



- 4.1.1 The Act provides that councillors and members of delegated committees are entitled to be reimbursed for bona fide out-of-pocket expenses incurred while performing their role and are reasonably necessary to perform that role.
- 4.1.2 The Act also provides that Council must make available to the Mayor and Councillors the resources and facilities reasonably necessary to enable them to effectively perform their role. This includes that consideration must be given to the support that may be required by a Mayor, Deputy Mayor or Councillor because of a disability, and have particular regard to the support that may be required by a Councillor who is a carer in a care relationship within the meaning of section 4 of the Carers Recognition Act 2012.
- 4.1.3 The Act requires the Policy to:
- specify procedures to be followed in applying for reimbursement and in reimbursing expenses; and
  - provide for the reimbursement of childcare costs where the provision of childcare is reasonably required for a councillor or member of a delegated committee to perform their role; and
  - have regard to expenses incurred by a councillor who is a carer in a care relationship within the meaning of the Carers Recognition Act.
- 4.1.4 Under the Act Council is required to provide details of all reimbursements for out of-pocket expenses made to a Councillor and a member of a delegated committee to the Audit and Risk Committee.
- 4.2 The key objectives of the Council Expenses and Support Policy developed by Council are to:
- 4.2.1 Ensure Councillors have the support and knowledge they require to properly discharge their civic responsibilities, given they are elected to voluntary, part-time roles in the community.
- 4.2.2 Ensure that Councillors, members of delegated committees and the Audit and Risk Committee fully understand the responsibilities and obligations they must uphold to receive reimbursement of expenses and support.
- 4.2.3 Ensure expenses reimbursed and support provided meets reasonable community expectations and that the community understands why support is provided and the legitimate forms this can take.
- 4.2.4 Encourage diversity and participation as Councillors from the broadest cross section of the community by reducing barriers to participation.
- 4.2.5 Ensure expense reimbursement and support is administered in a timely, transparent and auditable manner that complies with relevant legislation.
- 4.2.6 Ratify Council's compliance with the Local Government Act 2020.

### Key changes

- 4.3 Modest changes have been made to the interim policy that is included in **Attachment 1** as a proposed final policy for Council consideration. Changes to the policy include expanding the Health, Safety and Wellbeing entitlements of Councillors to include a COVID-19 vaccine if this is included in Council's annual clinics. An amendment is also proposed to the policy to allow individual professional memberships



to the Australian Local Government Women’s Association (ALWGA) to enable female Councillors to participate in their professional development programs as without this membership Councillors will be unable to participate in these activities. In addition, the policy has made an exception to the annual limits imposed on Councillors and Mayors, \$6,000 and \$10,000 respectively, to allow for participation in the Australia Institute of Company Directors course and membership is also possible to this body for one year as a more cost effective rate is provided to Council if a Councillor joins as a member. This membership is for that year only and is not ongoing in nature.

- 4.4 The current policy requires for quarterly reporting on Councillor expenses and support. This report is published on Council’s website, and through this policy will now be tabled at an ordinary Council meeting.

**5. CONSULTATION AND STAKEHOLDERS**

- 5.1 The Councillor Expenses and Support Policy is a statutory document which incorporates prescribed requirements of the Local Government Act 2020.
- 5.2 Officers have worked closely with other Councils, Local Government Victoria, legal advisors, and sector bodies to interpret legislative requirements and develop the policy.
- 5.3 The policy has been subject to consultation with Councillors at briefings, senior managers and relevant staff.
- 5.4 Feedback from the Audit Committee was sought to help inform the development of the interim policy.
- 5.5 Following the adoption of the draft document, Council launched an online engagement page: <https://haveyoursay.portphillip.vic.gov.au/local-government-act-2020>. The page provided viewers with information on the new Act, draft documents, key dates in the process, and the opportunity to provide feedback. The page was circulated to community networks and promoted through Council’s social media channels.
- 5.6 Formal Submissions

Four submissions were received through the feedback process. Although only two provided feedback, with the other two being more akin to service requests.:

Received From	Key themes	Officer comment
John Andrews	There entitlements are too generous	The Councillor Expenses and Support Policy conforms with the Local Government Act 2020.
Christine Powers	Consideration should be given to reduce the costs associated with Councillor activity to ratepayers. Funding should focus on professional development to enable Councillors to be effective in managing the provision of services and budgets.  Maximum limits should be set for carer/childcare.	Councillors are afforded an annual professional development allowance.  The policy does set maximum limits on childcare that is based on the Federal Government Child Care Subsidy.  Often meetings are scheduled around stakeholder availability and it is not always possible to arrange meetings



	<p>Councillors should use Council childcare facilities rather than funding for private babysitting.</p> <p>The maximum hourly rate for a carer/childcare should be capped at the average hourly rate of Council age care/childcare workers.</p> <p>Kilometre reimbursement should be the same as State Government employees.</p> <p>Meetings should be arranged when children are at school, or kindergarten, or when their partner is home, rather than seeking funds for private babysitting.</p>	<p>when children are at school, or when a Councillor's partner is at home.</p> <p>The choice of childcare is personal, and it would be inappropriate to mandate to Councillors to use a particular service.</p> <p>Childcare provided is not always within the hours provided by council operated services.</p>
--	---	---

**6. LEGAL AND RISK IMPLICATIONS**

- 6.1 Council is required to adopt a Councillor Expenses Policy under the Local Government Act 2020.
- 6.2 The Policy has been prepared to ensure that council complies with its legislative requirements under the Act, including to:
  - specify procedures to be followed in applying for reimbursement and in reimbursing expenses; and
  - provide for the reimbursement of childcare, reasonably required for a Councillor or a member of a delegated committee to perform their role,
  - provide for reimbursement for a Councillor who is a carer in a care relationship within the meaning of section 4 of the Carers Recognition Act 2012.
  - provide details of all reimbursements to the Audit and Risk Committee.

**7. FINANCIAL IMPACT**

- 7.1 Provision of support and expenses for Councillors is managed within Council's approved operational budgets.

**8. ENVIRONMENTAL IMPACT**

- 8.1 The Policy supports the use of sustainable travel by Councillors and members of Delegated Committees.
- 8.2 There is no direct environmental impact resulting from Council adopting this policy.

**9. COMMUNITY IMPACT**

- 9.1 The Policy seeks to provide:
  - 9.1.1 Greater appreciation by the community that there is a certain level of support required for Councillors to fulfil their civic duties;



9.1.2 Reduction of barriers to encourage the greatest diversity of people to participate in civic life as Councillors;

9.1.3 Greater clarity for Councillors, staff and members of the public about the reasons for Councillor expenses and reimbursement and the types of support provided to Councillors

9.2 The policy clarifies for the community and for Councillors what support is provided to Councillors and it clearly states what expenses can and cannot be claimed by Councillors and the reasoning. It also provides greater transparency and accountability by requiring certain costs to be publicly disclosed.

## **10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY**

10.1 Strategic Direction 6 – Our Commitment to You.

## **11. IMPLEMENTATION STRATEGY**

11.1 The Policy takes effect once adopted. Officers will commence working on making publicly available on Council's website the documents and information outlined in the Policy.

## **12. OFFICER DIRECT OR INDIRECT INTEREST**

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

**TRIM FILE NO:** F21/1

**ATTACHMENTS** 1. Councillor Expenses and Support Policy