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# COUNCIL POLICY

## Elected Member Allowances and Benefits

<b>Policy Number:</b>	PO089		
<b>Strategic Plan Objective</b>	5 Responsible Governance 5.2 Effective Leadership and informed decision making 5.3 Meet all legislative requirements and compliance with Council's internal controls		
<b>Policy Owner:</b>	Chief Executive Officer	<b>Record Number:</b>	16/6361[v6]
<b>Responsible Officer:</b>	EA to CEO and Mayor	<b>Minute Reference:</b>	151/2021 (8/09/2021)
<b>Date Adopted:</b>	8 September 2021	<b>Next Review Date:</b>	September 2022

### 1. POLICY OBJECTIVES

The Yorke Peninsula Council will ensure that the payment of Elected Members' allowances, the reimbursements of expenses and the provision of benefits by the Council is accountable and transparent and in accordance with the Local Government Act 1999 (the Act) and the Local Government (Members Allowances and Benefits) Regulations 2010 (the Regulations).

This policy sets out the provisions of the Act and Regulations in respect of Elected Member allowances, expenses, benefits, the provision of facilities and support to ensure consistency and legislative compliance.

### 2. SCOPE

This policy applies to all Elected Members, including the Mayor of Council.

### 3. DEFINITIONS

ABN	Australian Business Number
ATO	Australian Taxation Office
CEO	Chief Executive Officer
Dependant	A dependant of the Elected Member requiring full time care
EA to the CEO and Mayor	Executive Assistant to the CEO and Mayor
Eligible Journey	A journey (in either direction) between the principal place of residence or a place of work, of an Elected Member, and the place of the prescribed meeting
Council functions/duties	In accordance with the Elected Member role as defined within the Act and includes, but is not limited to, attendance at Council functions e.g. Mayoral functions, citizenship ceremonies, meetings of community groups, official visits and organisations as an appointed delegate of Council (but not to attend meetings of community groups, individuals or organisations when fulfilling the role of a local representative)
Incidentals	An incidental travel expense can be claimed via the claim reimbursement process. An incidental is only permitted where travel involves at least one night away from home.

	Examples of the types of incidentals that may be claimed up to the daily limit are: newspapers, morning and/or afternoon tea expenses and snacks
Prescribed meeting	A meeting of the Council or Council Committee, or an informal gathering, discussion, workshop, briefing, training course or similar activity which is directly related to the performance or discharge of the roles or duties of the member (section 77(1)(a) of the Act)

#### **4. POLICY STATEMENT**

##### **4.1 Policy Principles**

- Elected Members should not be out of pocket as a result of performing and discharging their Council functions/duties.
- To assist Elected Members in performing or discharging their official functions and duties they are entitled to a range of necessary facilities, services and support and to be reimbursed for expenses as specified in this policy.
- Elected Members expenses, reimbursements, facilities, services and support must be actually and necessarily incurred in performance and discharge of their official functions/duties, which will be assessed in accordance with their defined role in the Act.
- Continued professional training and development for Elected Members.
- Accountability to the community for the use of public monies.

##### **4.2 Allowances**

- Elected Member allowances are determined by the Remuneration Tribunal on a four-yearly basis before the designated day in relation to each set of periodic elections held under the Local Government (Elections) Act 1999. Yorke Peninsula Council forms part of Council Group 3.
- An allowance determined by the Tribunal will take effect from the first ordinary meeting of the Council held after the conclusion of the relevant periodic election. Elected Member allowances are to be adjusted on the first, second and third anniversaries of the relevant periodic elections to reflect changes in the CPI under a scheme prescribed by the Regulations.
- Council has determined that these allowances be paid quarterly in arrears starting from the election date. Payments are made to Elected Members on or before the 23<sup>rd</sup> day of February, May, August, and November. The allowance paid to the Mayor is paid monthly in advance.
- An additional allowance, in the form of a sitting fee, is also payable for Elected Members who are Chairpersons of other Council committees (who are not a deputy mayor or presiding member of a prescribed committee that is required by legislation) in accordance with the Determination of the Remuneration Tribunal Allowances for Members of Local Government Councils.

- An allowance under this section is to be paid in accordance with any requirement set out in the Regulations (unless the Elected Members declines to accept payment of an allowance in accordance with section 76(12) of the Act).

#### **4.3 Mandatory Reimbursements – Travel (Section 77(1)(a))**

Elected Members are entitled to receive reimbursement for travelling expenses actually and necessarily incurred by the Elected Member for travel within the Council area and associated with attendance at a ‘prescribed meeting’.

- Reimbursement for travel expenses is restricted to ‘eligible journeys’ provided the journey is by the shortest or most practicable route and to that part of the journey within the Council area (for reimbursement of travel outside of Council area refer to section 4.5).
- Where an Elected Member travels by private motor vehicle, the rate of reimbursement is at a rate equal to the appropriate rate per kilometre prescribed for the purposes of calculating deductions for car expenses under section 28.25 of the Income Tax Assessment Act 1997 of the Commonwealth.
- 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 that part of the journey that is within the Council area.

#### **4.4 Mandatory Reimbursements – Child/Dependant Care (Section 77(1)(a))**

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

#### **4.5 Council Approved Reimbursements (under Section 77(1)(b))**

The additional prescribed expenses incurred by Elected Members, which do not fall within the categories of allowances or mandatory reimbursements outlined above, but which have been approved by Council for reimbursement under section 77(1)(b) of the Act are as follows:

- Reasonable travelling expenses incurred by the Elected Member both within and outside the Council area as a consequence of the Elected Member’s attendance at a Function or Activity on the business of Council other than for which the Member is reimbursed under section 77(1)(a).
- Travelling expenses incurred where the Member has been invited or officially appointed as Council’s delegate or as a representative of Council.
- A travel time allowance is provided for Elected Members (excluding the Mayor) of non-metropolitan Councils in relation to the distance between the Elected Member’s usual place of residence within the Council area and the Council’s principal office at Maitland, via the most direct route by road. This allowance is in addition to any expense reimbursement entitlement.

## **PO089 – Elected Member Allowances and Benefits**

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- Expenses incurred for accommodation costs where Elected Members are attending approved meetings, conferences, seminars, training courses or similar activity. The nightly limits for accommodation are:

<b>City</b>	<b>Maximum Limit per person</b>
Adelaide	\$182.50
Brisbane	\$216.00
Canberra	\$207.00
Darwin	\$256.50
Hobart	\$171.50
Melbourne	\$200.50
Perth	\$212.50
Sydney	\$219.50
Rural	\$Refer to the ATO guidelines at the time
International	Refer to ATO guidelines at the time

- Expenses for meals, refreshments and incidentals where Elected Members are attending approved meetings, conferences and seminars where meals are not provided. The maximum daily limits for meals are:

Breakfast:	\$25.00
Lunch:	\$30.00
Dinner:	\$50.00
Incidentals:	\$20.00

(These limits are roughly based on the guidelines set out in the ATO's Taxation Determination TD2021/6 and should be reviewed annually).

- Elected Members are to make a reasonable attempt to use Council vehicles as a priority when undertaking official functions/duties or car pool with other Elected Members/staff utilising Council vehicles.
- Whilst travelling on council business, the driver is personally responsible for all traffic infringement notices or parking fines incurred.

To ensure that Elected Members remain accountable to the community for the use of public monies, the following types of allowances and expenditure is **not** considered appropriate for Yorke Peninsula Council:

- Providing gifts to Elected Members for special occasions or service recognition (for example birthdays, Christmas and other occasional gifts).

### **4.6 Process for Approval, Booking and Reimbursement**

- All travel and accommodation that incurs expenses must be approved prior to the travel/accommodation being booked and/or undertaken. The CEO must approve all intrastate travel. Council must approve all interstate and international travel taking into account PO135 Elected Members Training and Development Policy for training/development requests.
- All approved travel/accommodation must be booked through the EA to the CEO and Mayor, who will ensure that the travel is booked in an economical manner.

## **PO089 – Elected Member Allowances and Benefits**

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- If suitable accommodation is unable to be sourced through the EA to the CEO and Mayor within the rate limits, approval will be sought from the CEO to book higher priced accommodation with the reasons/rationale documented. If an Elected Member decides to stay at a higher priced establishment without the approval of the CEO, then they are responsible for those extra costs, Council should not be charged for these additional costs.
- Airline tickets are not transferable and cannot be used to offset any other costs, including the cost of other persons accompanying the Elected Member.
- Elected Members intending to claim travel reimbursement, must complete and sign Council's SF095 Record of Elected Members Travel Form. Elected Members are responsible for submitting these claims and they must be received by the EA to the CEO and Mayor for processing each quarter, to tie in with budget and budget review requirements.
- Where appropriate, reimbursements must be supported by a tax invoice/receipt that meets ATO requirements. These requirements are outlined below:
  1. The receipt is intended to be a tax invoice – i.e. it should have the words Tax Invoice printed on the document.
  2. The supplier's identity is clear.
  3. The supplier's Australian Business Number (ABN) is clear.
  4. The date the invoice was issued is clear.
  5. A brief description of the items or services sold, including the quantity (if applicable) and the price.
  6. The GST amount (if any) payable, this can be shown separately, or, if the GST amount is exactly one-eleventh of the total price, a statement such as 'total price includes GST' is acceptable.
  7. The extent to which each sale on the invoice is a taxable sale (that is, the extent to which each sale includes GST).
  8. For sale amounts over \$1,000, Council's identity and/or ABN should be reflected on the invoice.
  9. If the supplier is not registered for GST, such as a charity or overseas supplier, then a general receipt outlining date, supplier's identity, purpose and amount is sufficient. EFTPOS receipts are not acceptable as a tax invoice. Unclaimed travel expenses cannot be offset against some other expense or facility.

### **4.7 Facilities, Services and Support**

In addition to allowances and the reimbursement of expenses, Council have determined the following facilities, services and forms of support are appropriate for use by Elected Members, to assist them to perform or discharge their official functions and duties (pursuant to Section 78 of the Act):

## **PO089 – Elected Member Allowances and Benefits**

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- Information Technology services and equipment including a personal computing device and associated software; electronic communications services (email and internet access); and technical and maintenance support.
- Meals and refreshments where appropriate whilst attending Council meetings, Council committee meetings, briefings, training and workshops.
- Name badge.
- Council business cards.
- Insurance – Section 80 of the Act requires that Council insures its Elected Members against risk associated with the performance or discharge of their official duties. Elected Members and their partners/spouses are covered under the following Council insurance policies while engaged in or on any activity directly or indirectly connected with or on behalf of Council, travelling to and from such activity (cover is subject to policy limitations and applicable excess(s)):
  - Journey and Personal Accident Insurance – provides cover for Elected Members (and their accompanying partners/spouse) Civil Liability.

In addition to the facilities and support outlined above, Council has resolved to make available to the Mayor (and to any acting Mayor appointed during the Mayor's absence) the following to assist them in performing and discharging their official functions and duties:

- A suitable Council owned and maintained vehicle to be used to undertake official Council functions/duties, including to attend functions and other meetings (the Council acknowledges the geographical area of Yorke Peninsula will involve incidental, minor, infrequent and irregular limited private use of the Council vehicle within South Australia when on Council business).
- A mobile phone.
- Office space.
- Provision of executive clerical support.
- Provision of media and communications support.

The provision of these facilities, services and support will be made available to all Elected Members, including the Mayor, on the following basis:

- Such provision is necessary for the Elected Member to perform his/her official functions/duties.
- The facilities remain the Council's property regardless of whether they are used off site or not, and will be returned to Council at the end of each term in office.
- Each Elected Member is solely responsible for those facilities released into their care/control for the duration of their term in office – if the facility is damaged or lost, the Elected Member should provide a written report to the CEO.

## **PO089 – Elected Member Allowances and Benefits**

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- They are not to be used for a private purpose or any other purpose unrelated to the official Council functions and duties, unless such usage has been specifically pre-approved by the Council and the Elected Member has agreed to reimburse Council for any additional cost or expenses associated with that usage.
- These facilities or services must not be used for campaign or election purposes.

### **4.8 Register of Allowances and Benefits**

Pursuant to Section 79(1) and (2) of the Act, the CEO must maintain a Register (R003 Elected Members Allowances and Benefits Register) in which he or she will ensure on a quarterly basis that a record is kept of:

- The annual allowance payable to an Elected Member.
- Any expenses reimbursed under Section 77(1)(b).
- Other benefits paid or provided for the benefit of the Elected Member by the Council.
- Any changes in the allowance or benefit payable to or provided for the benefit of Elected Members.
- Provisions of a reimbursement of benefit not previously recorded in the Register.
- The mandatory travel and care reimbursements paid under Section 77(1)(a) of the Act are not required to be recorded in the Register, however to provide full transparency these amounts are included.

The register is available on Council's website or for inspection, free of charge, at Council's offices. Copies or extracts of the Register are available for purchase upon payment of a fixed fee (as detailed in Council's fees and Charges Register).

## **5. COMPLAINTS**

Complaints about this policy or non-compliance with policy can be made in writing to the CEO. Complaints will be managed in accordance with Council's Complaints Policy (PO147).

## **6. REVIEW**

This policy will lapse at a general election at which time the newly elected Council will be required to adopt a policy dealing with Elected Member allowances, reimbursements and benefits for their term in office. The policy will also be reviewed as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines, audit findings, any corrective actions/controls arising from risk assessment and/or hazard/incident reports, audit findings and stakeholder feedback.

## **7. TRAINING**

Elected Members are provided with appropriate training to enable them to meet the requirements of this policy. Training needs will be reviewed annually as part of Council's Elected Member Training Plan and as necessary in consideration of any changes to legislation and relevant standards, codes, guidelines and audit findings.

**8. RELATED COUNCIL POLICIES AND DOCUMENTS**

PO015 Access to Council and Committee Meetings and Documents Code of Practice  
PO091 Risk Management  
PO088 Elected Members Use of Council Supplied Electronic Equipment  
PO123 Code of Conduct for Council Members (as gazetted 29 August 2013)  
PO135 Elected Members Training and Development Policy  
PO138 Caretaker Policy  
PO147 Complaints Policy  
PR148 Code of Conduct for Council Members Complaints  
PO156 Internal Financial Control  
R003 Elected Members Allowances and Benefits Register  
SF095 Record of Elected Members Official Council Business Travel

**9. REFERENCES AND LEGISLATION**

Local Government Act 1999  
Local Government (Elections) Act 1999  
Local Government (Member's Allowances and Benefits Regulations) 2010  
Independent Commissioner Against Corruption Act 2012  
Commonwealth Income Tax Assessment Act 1997  
Freedom of Information Act 1991  
Determination of the Remuneration Tribunal Allowances for Members of Local Government Councils  
ATO's Taxation Determination

**10. COUNCIL DELEGATION**

<b>Delegate:</b>	Chief Executive Officer
<b>Sub Delegate:</b>	Director Corporate and Community Services

**11. VERSION HISTORY**

Archived Policy Name	Policy Number	Date Adopted	Last Reviewed
Provision of Facilities and Services to Elected Members	PO089	03/11/2003	08/06/2010
Provision of Facilities and Services to Elected Members	PO089	13/06/2012	13/06/2012
Elected Members Travel	PO110	14/09/2005	08/06/2010
Elected Member Facilities Services and Expenses	PO089	08/05/2013	13/05/2015
Elected Member Facilities Services and Expenses	PO089	13/05/2015	13/07/2016
Elected Member Facilities, Services and Expenses	PO089	14/12/2016	29/03/2018
Elected Member Facilities, Services and Expenses	PO089	11/04/2018	13/02/2019
Elected Member Facilities, Services and Expenses	PO089	13/02/2019	08/09/2021
Elected Member Allowances and Benefits	PO089	08/09/2021	