

Councillor Remuneration, Expenses Reimbursement and Resources Policy

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Responsible Officer	Chief Executive Officer	Date Approved:	16/04/2024
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Author:	Manager Development and Governance	Commencement:	16/04/2024

1. PURPOSE

The purpose of the policy is to ensure that elected members can receive reimbursement of reasonable expenses and be provided with the necessary facilities to perform their role. The policy will ensure accountability and transparency in the reimbursement of expenses incurred by the Mayor, Deputy Mayor and Councillors.

The policy also includes details of how the remuneration payable to local government Councillors is determined by the Local Government Remuneration Commission.

2. STATEMENT OF PRINCIPLES

This policy is consistent with the local government principles as set out in the *Local Government Act 2009*:¹

- Transparent and effective processes, and decision making in the public interest;
- Sustainable development and management of assets and infrastructure, and delivery of effective services;
- Democratic representation, social inclusion and meaningful community engagement;
- Good governance of, and by, local government; and
- Ethical and legal behaviour of Councillors and local government employees.

3. SCOPE

This policy applies to the Mayor, Deputy Mayor and Councillors of the Mareeba Shire.

4. BACKGROUND / SUPPORTING INFORMATION

A local government is required to adopt an expenses reimbursement policy in accordance with the relevant provisions of the *Local Government Regulation 2012*.²

¹ See *Local Government Act 2009* (Qld) s 4.

² See *Local Government Regulation 2012* (Qld) ss 249-251.

Human Rights Compatibility Statement

The *Human Rights Act 2019* (HR Act) (Qld) came into effect on 1 January 2020 and will mean fairer laws, policies and practices by public entities when dealing with the community on a day-to-day basis. This policy has been drafted to align with section 8 and sections 15-37 of the HR Act.

The adopted policy can be amended, by resolution, at any time and must be able to be inspected and a copy purchased by the public at the local government's public office and also published on the local government's website.

5. POLICY STATEMENT

5.1 REMUNERATION

In accordance with the relevant provisions of the *Local Government Act 2009*,³ the Local Government Remuneration Commission is responsible for:

- a. Establishing the categories of local governments; and
- b. Deciding which categories each local government belongs to; and
- c. Deciding the remuneration that is payable to the Councillors in each of those categories.

In accordance with the relevant sections of the *Local Government Regulation 2012*,⁴ the Commission must, on or before 1 December each year and for each category of local government, decide and publish in the Gazette the remuneration schedule that may be paid from 1 July of the following year to a Mayor, Deputy Mayor or a Councillor of a local government in each category.

The remuneration may include, or may separately provide for, remuneration for the duties a Councillor may be required to perform if the Councillor is appointed to a committee, or as chairperson or deputy chairperson of a committee, of a local government.

The remuneration fixed by the Commission is all inclusive and no additional remuneration is payable for sick leave, annual leave, or any other benefits otherwise applicable to employees other than superannuation. The remuneration can not include any amount for expenses to be paid or facilities to be provided to a Councillor under the expenses reimbursement section of this policy.

The maximum amount of remuneration payable to a Councillor, as determined by the Commission, must be paid to the Councillor unless the local government decides, by resolution, not to pay the maximum amount.⁵

The Commission has determined that the Mareeba Shire Council will be a Category B2 Council as from 1 July 2024.⁶

5.1.1 *Superannuation and tax*

The Council may, by unanimous Council resolution, elect to be an "eligible local governing body". This empowers the withholding of Councillors' income tax and automatic payment of the superannuation guarantee contribution.⁷

³ See *Local Government Act 2009* (Qld) s 177.

⁴ See *Local Government Regulation 2012* (Qld) s 244.

⁵ Ibid s 247.

⁶ See Local Government Remuneration Commission Annual Report 2023 p 16.

⁷ See *Taxation Administration Act 1953* (Cth) div 446 sch 1.

5.2 EXPENSES

5.2.1 *Payment of Expenses*

Reimbursement of expenses will be paid to a Councillor through administrative processes approved by the Council's Chief Executive Officer (CEO) subject to:

- the limits outlined in this policy and
- Council endorsement by resolution.

The administrative process for the payment of expenses is:

- Councillors complete the Councillor Expenses Reimbursement Voucher, attaching copies of supporting documentation such as logbook extracts and receipts;
- Completed forms submitted to the CEO for approval;
- Office of the CEO forwards approved forms to accounts payable.

5.2.2 *Travel as required to represent Council*

Council will reimburse local and in some cases interstate and overseas travel expenses (e.g. flights, motor vehicle, accommodation, meals and associated registration fees) deemed necessary to achieve the business of Council where:

- a Councillor is an official representative of Council; and / or
- the activity/event and travel have been endorsed by a resolution of Council or approved by the Mayor.

Councillors are to travel via the most direct route, using the most economical and efficient mode of transport.

5.3 VEHICLES

5.3.1 *Use of council vehicles on council business*

A Council vehicle will be provided for use by the Mayor and other Councillors may have access to a Council vehicle, as required (and if available at the time), for official Council business. A Councillor wishing to use a Council vehicle for Council business must submit a request to the Chief Executive Officer at least two (2) days prior to use, except in exceptional circumstances as determined between the Councillor, Mayor and CEO.

5.3.2 *Private use of Council vehicles*

Private use of Council owned vehicles is only permitted if prior approval has been granted by the Mayor in writing. Reimbursement for private usage will be calculated based on the number of private kilometres travelled as per logbook substantiation, multiplied by the appropriate rate per business kilometre as determined by the Australian Taxation Office.

NOTE: Private use is not encouraged and only approved in extreme circumstances.

"Private use" in this context does not include incidental and occasional private use if the private destination is on a direct path between Council business destinations.

Fuel costs

Fuel for a Council owned vehicle used for official Council business will be provided or paid for by Council. Fuel costs associated with the use of a Councillor's private vehicle are covered by the private vehicle expenses reimbursement rates.

5.3.3 Use of a Councillor's private vehicle

A Councillor's private vehicle usage will be reimbursed for Council business and approved by the Council or Mayor, in the following instances:

- Where travel within the region is required to conduct official Council business (this includes driving their private vehicle to and from Council offices and use of their vehicle to carry out any inspections deemed necessary to fulfil their role as a Councillor, including inspections of roads, Council works and facilities, areas of complaint and development application proposals);
- Where travel outside the region has been endorsed by Council resolution or by the Mayor;
- Where a claim for mileage is substantiated with logbook details; and
- Where the total travel claim, where applicable, does not exceed the cost of the same travel using economy flights plus the cost of taxi transfers.

Reimbursement rates for business kilometres as published by the Australian Tax Office will be applied.

Private vehicle insurance is at the risk of the user for both private and business use.

NOTE: Any fines incurred while travelling in Council owned vehicles or privately owned vehicles when attending to Council business, will be the responsibility of the Councillor incurring the fine.

5.3.4 Policy on vehicle use in cases of where high mileage travel

Reimbursement of private vehicle use is only cost-effective under a certain threshold. This threshold is dependent on the type of vehicle and will be determined on a regular basis (where necessary) to ensure the most cost-efficient method is used.

Where Councillors are expected to, or do, travel over the annual threshold, they can, by request to the Mayor, be provided with a Council vehicle under the same terms and conditions as the Mayor, instead of being reimbursed a kilometre allowance. This will also be dependent on the availability of a Council vehicle.

In the event that a Council vehicle is allocated to a Councillor as a result of this clause, this allocation will be reviewed quarterly to ensure that the threshold is still being exceeded. A logbook must be maintained at a standard that the ATO will accept to negate any FBT liability.

5.3.5 Car parking amenities

Council will reimburse Councillors for parking costs paid by Councillors while attending to official Council business.

5.4 TRAVEL BOOKINGS

All Councillor travel approved by Council will be booked and paid for by Council, unless travelling by private or Council vehicle. Wherever possible, payment for such travel will be made by Council in advance.

Economy class is to be used where possible although Council may approve business class in certain circumstances.

Airline tickets are not transferable and can only be procured for the Councillor's travel on Council business. They cannot be used to offset other unapproved expenses. (e.g. cost of partner or spouse accompanying the Councillor).

Council will pay for reasonable expenses, per ATO determination, incurred for overnight accommodation when a Councillor is required to stay outside the Mareeba Shire Council local government area.

5.5 TRAVEL TRANSFER COSTS

Any travel transfer expenses associated with Councillors travelling for Council approved business will be reimbursed. Example: Trains, taxis, buses and ferry fares.

5.6 ACCOMMODATION

All Councillor accommodation for Council business will be booked and paid for by Council. Council will pay for the most economical deal available. Where possible, the minimum standards for Councillors' accommodation should be three or four-star rating. Where particular accommodation is recommended by conference organisers, Council will take advantage of the package deal that is the most economical and convenient to the event. Should more than one Councillor attend the same event, Council will book and pay for a separate accommodation room for each attending Councillor.

5.7 MEALS

Council will reimburse the reasonable cost of meals for a Councillor where a Councillor:

- incurs the cost personally; and
- is not provided with a meal:
 - within the registration costs of the approved activity/event;
 - during an approved flight; and
- produces a valid tax invoice.

Council will reimburse the actual cost of meals, however the current Australian Taxation Office determination in this regard will be considered with regard to the reasonableness of the claim.⁸

If a Councillor, for some legitimate reason, is unable to produce a tax invoice and seeks reimbursement for meals while attending official Council business, he/she may claim up to a maximum of the following meal allowance amounts (noting this can only occur when the meal was not provided within the registration costs of the approved activity/event) in accordance with the current Australian Taxation Office determination for domestic travel expenses, Food and Drink, in the respective areas.

No alcohol will be paid for by Council.

Should the Councillor choose not to attend a provided dinner/meal, then the full cost of the alternative meal shall be met by the Councillor.

5.8 INCIDENTAL ALLOWANCE

A daily allowance, as per ATO determination,⁸ may be paid by Council to cover any incidental costs incurred by Councillors required to travel, and who are away from home overnight, for official Council business. This

⁸ See Taxation Determination TD 2021/6 – Australian Taxation Office p 4 tbl 1.

is determined by the current Australian Taxation Office determination for domestic travel expenses, Incidentals, in the respective areas.

5.9 ADMINISTRATIVE TOOLS

Administrative tools will be provided to Councillors as required to assist Councillors in their role. Administrative tools may include:

- Council meeting rooms;
- Access to computers and on-line meeting software (such as Microsoft Teams);
- Use of telephone and internet access;
- Access to photocopier, scanner, printer and stationery.

Secretarial support may also be provided for the Mayor and Councillors, within the existing staff structure, by Council resolution.

In recognition of the fact that office space within Council facilities is limited and that use of technology such as internet and electronic distribution of agendas and minutes is generally more efficient and practical than requiring Councillors to travel to the Council administration centre to undertake the day to day tasks associated with their role, accordingly, Council will supply and pay for an internet and land-based phone line at the Councillor's residence.

Council will pay the installation costs (if required) and the monthly costs for the line rental and current internet package. The amount paid will be based on the Telstra Home Internet Basic nbn package.

iPad

To further enhance the ability of Councillors to communicate electronically with Council, particularly email communication and distribution of agendas, minutes and other information, Council will pay for the purchase of an iPad and associated internet usage via a monthly package arrangement.

For guidance as at the writing of this policy, the Telstra iPad (10th gen) Package Medium (24 months) is \$99.62 per month. The value of the reimbursement will be reviewed every second year to keep it in line with the current Telstra Package.

The Councillor is to arrange the purchase of the iPad and appropriate monthly data plan in their personal capacity. Council will reimburse the package amount, as above, to the Councillor on a fortnightly basis. Any costs over and above the monthly payment by Council will be at the Councillor's expense.

Mobile Phone

As per the above arrangements for supply of an iPad for Councillors' use, Council will also pay the costs of a mobile phone package for Councillors.

For guidance as at the writing of this policy, the Telstra iPhone 15 128GB Basic Plan (24 months) is \$124.45 per month. The value of the reimbursement will be reviewed every second year to keep it in line with the current Telstra Package.

The Councillor is to arrange the purchase of the phone and appropriate monthly phone plan in their personal capacity. Council will reimburse the package amount, as above, to the Councillor on a fortnightly basis. Any costs over and above the monthly payment by Council will be at the Councillor's expense.

5.10 INSURANCE COVER

Council will indemnify or insure Councillors in the event of injury sustained while discharging their civic duties. Specifically, insurance cover will be provided for public liability, professional indemnity, Councillors liability and personal accident.

Council will pay the excess for injury claims made by a Councillor resulting from conducting official Council business and on any claim made under insurance cover.

Council will cover costs incurred through injury, investigation, hearings or legal proceedings into the conduct of a Councillor, or arising out of, or in connection with the Councillor's performance of his/her civic functions. Where it is found that a Councillor breached the provisions of the Local Government Act or that the conduct the subject of investigation, hearings or legal proceedings was intentional, deliberate, dishonest, fraudulent, criminal or malicious, the Councillor will reimburse Council for all associated costs incurred by Council.

5.11 PROFESSIONAL DEVELOPMENT

Where Council resolves that Councillors are to attend training courses, workshops, seminars and conferences that are related to the role of a Councillor (mandatory professional development), Council will reimburse the total costs of their attendance at the nominated events.

In addition, where a Councillor identifies a need to attend a conference, workshop or training to improve skills relevant to their role as a Councillor (discretionary professional development), expenses will be reimbursed as per Council resolution on a case by case basis.

The Mayor may attend any LGAQ conference or other relevant training courses, workshops, seminars and conferences as Council's representative as required.

Councillors desirous of undertaking either mandatory or discretionary professional development should advise the CEO of their interest in attending a specific training course, workshop, seminar or conference and the CEO will provide a report to Council seeking Council endorsement of attendance at the event. Periodically, the opportunity for Councillors to attend training courses, workshops, seminars and conferences is without sufficient notice to seek Council endorsement. In these instances, the Mayor can provide an endorsement for Councillors to attend.

6. REPORTING

No additional reporting is required

7. DEFINITIONS

Council business will include attendance at any official meeting of the Council, including the meetings of any Committee appointed by the Council under the relevant section of the *Local Government Regulation 2012*, Councillor forums and workshops and meetings of any external agency, committee, board or organisation on which Council input or representation is desirable and to which a Councillor has been appointed by formal resolution of the Council.

Council business also includes attendance at meetings and functions of community groups and organisations which Councillors have been formally requested or appointed to attend in an official capacity. It should be noted, however, that Council business should result in a benefit being achieved either for the local government and/or the local government area. Council may decide that this extends to performing civic

ceremony duties such as opening a school fete, however, participating in a community group event or being a representative on a board not associated with Council is not regarded as Council business.

8. RELATED DOCUMENTS AND REFERENCES

Local Government Act 2009 (Qld)

Local Government Regulation 2012 (Qld)

Taxation Administration Act 1953 (Cth)

Taxation Determination TD 2021/6 – Australian Taxation Office

9. REVIEW

It is the responsibility of the Chief Executive Officer to monitor the adequacy of this policy and implement and approve appropriate changes. This policy will be formally reviewed every four (4) years or as required by Council, with a preference to reviewing within six months of each quadrennial election.