

## ELECTED MEMBERS ALLOWANCES, CLAIMS FOR EXPENSES AND CONFERENCE ATTENDANCE

**Policy Type: Council Policy**

**Policy Owner: Director Corporate Services**

**Policy No. CP- 013**

**Last Review Date: 15 December 2009**

**Version 1**

### POLICY OBJECTIVES

To set out the levels of allowances and reimbursement of out of pocket expenses that will be paid to elected members in order to enable them to effectively carry out their functions as an elected member of the City of Melville and ensure that, whilst the time spent carrying out the functions of their role is largely provided on a voluntary basis, they are not unduly financially disadvantaged when doing so.

To set out the parameters under which elected members may attend conferences and seminars in order to develop and enhance their knowledge pertaining to their role, understand their obligations, as elected members and make well informed decisions and effectively represent their constituents.

#### Definitions & Explanatory Text

The allowances outlined in this policy are for the twelve (12) month period from 1 July each year. Where the policy reads “per annum” it is in reference to this period, which is aligned with the Australian taxation and Councils financial year. Should the month in which this 12 month period commences be changed, the expenses would be pro-rated to the period covered by the change.

Telecommunication Expenses – Includes all costs associated with land line and mobile phones and facsimile transmissions including the cost of acquisition of telephone handsets and facsimile machines, multi-function centre/devices, hands free telephone kits, line rental charges, call charges and connection and disconnection charges.

Information Technology Expenses – Includes all costs associated with the acquisition of computers, monitors, keyboards, computer mice, personal data devices, multifunction centre/devices, modems, routers, internet connection and usage charges, printers and consumables, digital media storage.

Special Capital Office Expenses - Includes such items as a digital camera, office furniture and other home office equipment items necessary to undertake the role of an Elected Member.

#### 1. EXPENSES AND ALLOWANCES

The Chief Executive Officer shall be provided with the delegated authority to deal administratively with claims for payment of travelling and other approvable expenses incurred by members in carrying out their duties or performing their functions as a Member in accordance with these policy guidelines. Duties or functions include attending:

- ◆ Meetings of the Council or a Committee of the Council and civic functions;

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- ◆ As elected delegates of the Council at meetings/functions of community organisations, conferences, local government associations or industry groups or committees of them;
- ◆ At the specific request or instruction of the Council – including inspection or other duty;
- ◆ To residents requests including those associated with agenda or other community based issues located within the City of Melville;
- ◆ As the nominated representative of the Council including being accompanied by a spouse or partner to any function or presentation.

**Note** Expenses which relate to elected members networking with the community or organizations, unless specifically required to do so by decision of the Council or as a Council elected delegate to a Committee or organization, are not reimbursable from Council funds.

#### **NON-DISCRETIONARY EXPENSES**

The following expenses are to be reimbursed in accordance with clause 31 of the Local Government (Administration) Regulations 1996 and are not subject to the annual limits set for discretionary expenditure by this policy:

- ◆ Travel costs for attending council and committee meetings. This includes the cost of taxi fares or reimbursements for the use by an elected member of their own motor vehicle for these purposes. Note the scale of reimbursements will be those as specified in the Public Service Award the relevant details of which are contained in clauses 47 (Motor Vehicle Allowances) and 54 (Travelling Allowance) as amended from time to time. Where the Mayor has exercised the option of using a Council provided motor vehicle no further reimbursements for travel costs will be made where such travel can practicably be undertaken in that vehicle.
- ◆ Child minding (maximum of \$20.00/hr or the actual cost whichever is the **lesser** as specified in Clause 31 of the Local Government (Administration) Regulations 1996).

**Note** rental charges for one telephone and one facsimile machine which are **required** to be reimbursed by Council have been included in the Annual Allowances in Lieu of Reimbursement of Telecommunication Expenses shown below.

- ◆ Allowance in Lieu of Reimbursement of Telecommunication Expenses

In lieu of all Telecommunication Expenses, as defined earlier, Council will pay the maximum total annual allowance as prescribed in clause 34A Local Government (Administration) Regulations 1996 (currently \$2,400 per annum) by equal monthly instalments mid month. Should Elected Members wish to claim amounts for the **rental** of one telephone and one facsimile line rental charges that exceeds the \$2,400 allowance, documentary evidence of the total expense being claimed that includes details of costs up to and over the \$2,400 allowance amount shall be provided.



## DISCRETIONARY EXPENSES

- ◆ Allowance in Lieu of Information Technology Expenses.

In lieu of all Information Technology expenses as defined earlier, Council will pay the maximum total annual allowance as prescribed in clause 34A Local Government (Administration) Regulations 1996 (currently \$1,000 per annum).

**Note** Council will provide one laptop/notebook computer for the use of elected members such computer to be returned following the expiration of the elected members' term of office or upon receipt of a replacement.

At the time when Council replaces the old laptop computers of elected members with new ones, each elected member will be given the option to purchase the old machines and retain them for their own use.

The purchase price will be the written down value or \$100 whichever is the higher.

In accordance with clause 32 of the Local Government (Administration) Regulations 1996 Council has decided to also reimburse the reasonable actual costs of the following expenses for all elected members.

- ◆ Child minding or other carer expenses (maximum of \$20.00/hr or the actual cost whichever is the lesser) if involving attending a Council or Committee meeting, or attendance at a civic function hosted by the City of Melville, other function or meeting of an external committee as Councils designated representative and a meeting attendance fee is not received by that elected member.
- ◆ Parking and tolls incurred whilst on Council business.
- ◆ Travel costs travel whilst attending to Council related business, attendance at Committees or Functions as Councils approved representative and attendance to constituents issues related to Council. This includes the cost of taxi fares or reimbursements for the use by an elected member of their own motor vehicle for these purposes. Note the scale of reimbursements will be those as specified in the Public Service Award the relevant details of which are contained in clauses 47 (Motor Vehicle Allowances) and 54 (Travelling Allowance) as amended from time to time. Where the Mayor has exercised the option of using a Council provided motor vehicle no further reimbursements for travel costs will be made where such travel can practicably be undertaken in that vehicle.
- ◆ Clothing, apparel, personal presentation and incidental costs (includes reasonable costs incurred for spouse/partner), **specifically incurred as a result of attending functions** in fulfilment of the role of an Elected Member. Reimbursement for these types of expenses relates only to functions to which an Elected Member has been formally invited to represent the City of Melville.
- ◆ Entertainment & Food & Beverages. Where an elected member has, by formal invitation, been requested to represent the City, reasonable entertainment and food and beverages expenses will be reimbursed for the elected member.

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**Note** Extreme care needs to be taken in making application for these claims as reimbursement of expenses will not be made in circumstances where attendance is merely to enhance the elected members' personal standing in the community as opposed to that of the Councils. Applications for reimbursements of these expenses will only be made if accompanied by the formal invitation.

- ◆ City of Melville provided Health & Fitness Programs - In keeping with The City of Melville's strategic objective of promoting lifestyles that enhance health and fitness and to ensure Elected Members acquire first hand experience of the services provided by Health and Lifestyle Services, they are encouraged to participate in City of Melville health and fitness programs. The cost of participating in these programs or the cost of gym memberships will be reimbursed up to a maximum of one thousand dollars (\$1,000) per annum.
- ◆ Postage and stationery for Council related business (except where used for electoral purposes), and;
- ◆ Other expenses of a council business nature (except where used for electoral purposes).

**Note** Elected members should take care to differentiate between expenditure incurred in their private capacity and expenditure necessary to fulfil their role as an elected member. Attendance at functions as a matter of personal choice does not give rise to a claim for reimbursement of expenses incurred as a result of attending. As a guide the question of whether or not an invitation would have been received had the member not been an elected representative of the City or Council needs to be answered in deciding whether or not the elected member is fulfilling a representational role by attending. A representational role will generally be undertaken by the Mayor or if the Mayor is not available, unable or unwilling to undertake that role the Deputy Mayor. Elected Members are referred to sections 2.8 to 2.10 of the Local Government Act 1995 for guidance in regards to the roles of Mayors, Deputy Mayors and Councillors.

**All Elected Members are required to maintain a diary with details of mileage and expenses for City of Melville business so that claims are based on actual information. Reimbursement of expenses is conditional upon adequate evidence of such expenditure in the form of GST invoices or receipts.**

### **Annual Expense Limits**

(Subject to annual adjustment based on the CPI for Perth as published by the Australian Bureau of Statistics in March of each year)

Expense reimbursements for Elected Members in accordance with this policy shall be limited to the following amounts:

Mayor	\$12,400 comprising Telecommunications annualised expense payment allowance \$2,400, Information Technology annualised expense payment allowance \$1,000, Other discretionary expense reimbursements of \$9,000.
Deputy Mayor	\$7,400 comprising

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Telecommunications annualised expense allowance \$2,400,  
Information Technology annualised expense payment allowance \$1,000,  
Other discretionary expense reimbursements of \$ 4,000 per annum

Councillor \$6,400 comprising  
Telecommunications annualised expense allowance \$2,400,  
Information Technology annualised expense payment allowance \$1,000,  
Other discretionary expense reimbursements \$3,000 pa.

#### Special Capital Office Equipment Allocation

All Elected Members \$1,700 in the year after first elected and  
\$1,100 per annum thereafter.

Such purchases would be limited to the purchase of one like item during each elected members term of office except in the case of items that become unserviceable and are returned to the Council prior to reimbursement. Variations to the capital limit can be offset against the general expense allowance, if funds are unclaimed in that area.

If a member reaches the prescribed limits, any requests for additional reimbursements shall be referred to the Governance Committee for consideration and recommendation to the Council.

From 1 July to Election Day claims for reimbursement of office equipment, clothing, entertainment, food & beverages are limited to six hundred dollars (\$600) in respect to Elected Members who are seeking re-election on Election Day.

The Chief Executive Officer is to exercise their judgment on whether any claim for reimbursement fits the test of “**necessary to undertake the role of Elected Member**”. If any member wishes to appeal a decision by the CEO the matter should be considered at the next available Governance Committee Meeting.

#### **Annual Mayoral and Deputy Mayoral Allowance**

The City shall pay the maximum Mayoral and Deputy Mayoral allowances as provided for in the Local Government Act 1995 and Local Government (Administration) Regulations 1996 in equal monthly instalments at mid month.

**Note:-**, The Act and Regulations currently require the payment of a minimum mayoral allowance of at least \$600 per annum and not more than the maximum prescribed limit of \$12,000 or 0.002 of the councils operating revenue whichever is the greater amount, but in any case no more than \$60,000.

Such allowances will continue to be paid during absences of the Mayor or Deputy Mayor on leave for a period of up to four (4) weeks. For periods of absence in excess of this period the allowances will be pro-rated according to the period of absence.

If the Mayor or Deputy Mayor has taken leave of absence for a period(s) in excess of four (4) weeks (except leave of absence on Council business), and another Elected Member is acting in that capacity, then that Elected Member shall be entitled to the higher pro rata annual Sitting Fee or expense reimbursement amount foregone by the absent Elected Member only.

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In the case of the Mayor and Deputy Mayor such annual allowances shall be in addition to the annual meeting attendance/sitting fees as well as the discretionary and non-discretionary allowances and expense claim reimbursements.

### **Mayoral Vehicle**

Should the Council choose to make available a Council vehicle for the private and business use of the Mayor, and the Mayor elects to take the vehicle, then the Mayoral allowance shall be reduced by the estimated annual cost of providing the vehicle. (Currently \$15,000) The vehicle is to be equivalent to a 6 cylinder Holden Statesman and use of the vehicle is to be subject to the Executive Vehicle Scheme conditions.

Where the Mayor exercises this option no further taxi or travel expenses shall be paid other than those associated with attendance at conferences, seminars, training or official duties where such travel is not practicable by use of the Mayoral vehicle. Once the Mayor elects to take the vehicle then such arrangements shall remain in place until the vehicle is due for replacement in accordance with Councils Vehicle Acquisition and Disposal Policies.

A vehicle will not be provided for the Deputy Mayor.

## **2. MEETING ATTENDANCE / SITTING FEES**

In accordance with the section 5.99 of the Local Government Act 1995, in lieu of individual meeting attendance fees, the maximum annual fee as prescribed from time to time in clause 30 of the Local Government (Administration) Regulations 1996, will be paid to Elected Members by monthly instalments at mid month.

The maximum amounts currently prescribed are as follows:-

<i>Mayor</i>	<i>\$14,000 per annum</i>
<i>Councillors</i>	<i>\$7,000 per annum</i>

The Elected Members Annual Fee will be reduced on a pro rata basis by any period of leave of absence in excess of one (1) months per electoral year (currently May to April), except whilst on Council business – ie attendance at approved conferences, seminars or training.

The leave of absence period is cumulative and the intent would be to reduce the amount of sitting fee pro rata for any period in excess of one (1) months (ie in cases where three (3) months leave of absence is granted, two (2) months pro rata would be foregone).

The leave of absence period would only include those times when an Elected Member would be unable to attend meetings or undertake their role as an Elected Member.

In the case of the Mayor and Deputy Mayor such sitting fees shall be in addition to the annual Mayoral and Deputy Mayoral Allowances.



### 3. ELECTED MEMBER SUPPORT FROM CORPORATE FUNDS

To assist Elected Members to perform their duties efficiently and effectively the following items will be provided to Elected Members from Corporate Funds within the Budget for Elected Member Support:

- ◆ Attendance at the Annual Western Australian Local Government Association conference;
- ◆ Elected Member training arranged by the CEO in order for elected members to be inducted into the role of Elected Member and further training in order to keep up-to-date with their obligations and duty of care responsibilities as contained in the Local Government Act, Planning & Development Act and other relevant legislation and guidelines pertaining to their role;
- ◆ Business Cards;
- ◆ City of Melville letterheads;
- ◆ Paper – photocopier grade;
- ◆ Computer and council business software as determined by the CEO provided for use on Council business ;
- ◆ Reasonable secretarial support (from Mayor's Secretary and/or CEO's Executive Secretary);
- ◆ Christmas cards and postage on request from Elected Members;
- ◆ Elected Member Personal and Property Insurance (some limitations apply);
- ◆ Motor Vehicle insurance whilst vehicle is being used on Council business (Nil excess);
- ◆ Local Government Diary;
- ◆ City of Melville gift packages for interstate colleagues or guests.

### 4. CONFERENCE/CONGRESS/SEMINAR/TRAINING COURSE ATTENDANCE

Reimbursement of expenses incurred by Elected Members for attendance at conferences, congresses, seminars or training will only be made where the conference or seminar is relevant to the role of the Elected Member on the Council in order to develop and enhance their knowledge pertaining to their role, understand their obligations, make well informed decisions and effectively represent their constituents.

**Note** Elected Members should obtain the necessary approvals required by this policy prior to making any financial or other commitments.

The allowances outlined in this Policy are for a twelve (12) month period commencing 1 July each year. Where the policy states 'per annum' it is in reference to this period, which is aligned to the Councils financial year. Should the period be changed the expenses would be pro-rated to the period covered by the change.

1. Unless provided for by Clauses two (2) and three (3) of this Policy, the proposed attendance of any Elected Member at an overseas conference, congress or seminar shall be referred to the Governance Committee with an overview of the details in order that a recommendation may be made to full Council for approval.



2. Subject to budgeted funds being available, the Chief Executive Officer shall be provided with the delegated authority to approve and arrange the registration and associated arrangements (including air fares, accommodation, sustenance and reimbursement of approved expenses) necessary for attendance by Elected members at conferences, congress, seminar, training courses, study tours or the purchase of professional development materials, subject to:
  - a. A maximum annual allocation of four thousand five hundred dollars (\$4,500.00) per annum, per Elected Member, and
  - b. A maximum carried forward unspent component from previous years of no more than the annual allocation, and
  - c. Budgeted funds being available

3. Allowances in lieu of reimbursement of travelling and accommodation expenses is the same amount as the amount to which a person would be entitled for those expenses in the same circumstances under the Public Service Award (Public Service Award 1992).

Where an Elected Member wishes to make their own arrangements in respect to accommodation & travelling, payments will be made in accordance with Section 34.AB of the Local Government Act (Administration Regulations)1996.

Where an Elected Member wishes to receive an upfront payment for sustenance and daily incidental expenses which need not be acquitted this will also be paid in accordance with Section 34.AB of the Local Government Act (Administration Regulations)1996.

It should be noted that the Local Government Act Regulations stipulate that allowances must be in accordance with the Public Service Award – In particular Schedule I – Travelling, transfer & relieving allowance. This incorporates the following features;

- Accommodation allowances that vary according to the locality.
- Meals paid according to location and the actual meals to be provided. (E.g. breakfast, lunch, dinner & midday meal)
- A daily incidental expenses allowance which also varies according to location.
- A daily deduction from sustenance/meal allowance paid for costs saved whilst not being at home.

**Note** that no allowances can be claimed for accommodation/meals where such services are already supplied within the course/conference costs.

Elected Member's shall be provided with a sufficient number of Cab-Charges for travel to and from the Conference / Airport / or other identified destination.



4. Elected Members' requests to attend and be reimbursed for such attendance at conferences, congresses and seminars or to participate in study tours not within Clause 2 can be arranged by the Chief Executive Officer in a similar manner to Clause 2, subject to:
  - a. Consultation with the Mayor and Deputy Mayor and notification of the recommendation to Elected Members at least one (1) week before action is taken. Any elected Member has an opportunity to veto, in which case the request is referred to a Governance Committee Meeting.
  - b. Budgeted funds being available.
5. Accompanying person costs will be limited to those applicable to an accompanying person's program for spouses and conference dinner only.
6. Costs of attending the Annual Western Australian Local Government Association conference shall not be included within the financial limit specified in Clause 2.
7. The costs of Elected Member training arranged by the CEO in order for newly Elected Members to be inducted into the role of Elected Member and further training for currently serving Elected Members to understand and be kept up-to-date with their obligations and duty of care responsibilities as contained in the Local Government Act, Planning & Development Act and other relevant legislation and guidelines pertaining to their role will be met from Corporate funds and not deducted from the conference, congress or seminar annual allocation.
8. As far as practicable, advantage is to be taken of any available discount fares, including thirty (30) days advanced purchase fares for any particular fare class.
9. The number of Elected Members attending a particular conference, congress or seminar is to be limited to ensure that a quorum for Council and Committee meetings is maintained.



### SUMMARY OF EXPENSES AND ALLOWANCES

<b>Nature of Expense/Allowance</b>	<b>Annual Limit</b>	<b>Notes</b>
Mayoral Allowance	Minimum \$600 Max Up to \$60,000	Statutory limit 0.002% of Councils Operating Revenue or \$60,000 whichever is the lesser.  Mayoral allowance will be reduced by \$15,000 if option of Council provided vehicle taken.
Deputy Mayoral Allowance	25% of Mayoral Allowance i.e. Minimum \$150 Max Up to \$15,000	Statutory limit of Maximum 25% of Mayoral Allowance
Child Care Expenses – Attendance at Council & Committee Meetings (Non-discretionary)	Not included in Annual Expenses limits.	Statutory limit of the lesser of actual cost or \$20 per hour. No maximum annual limit.
Carer Expenses – Attendance at Council & Committee Meetings, Functions etc. – (Discretionary)	Included in Annual Expenses limits.	Limit of the lesser of actual cost or \$20 per hour.
Annual Discretionary Expenses Limits (excluding Telecommunications and Information Technology Allowances)	Mayor - \$9,000. Deputy Mayor - \$4,000 Other Elected Members - \$3,000	Annual expense limits adjusted by March annual Perth CPI
Travel to/from Council & Committee meetings	Not included in annual expenses limits.	Actual costs or public service mileage rates
Conference related travel & accommodation expenses	Included in annual conference expenses limit of \$4,500	Actual costs or public service reimbursement rates
Mayoral Vehicle	\$15,000	Reduces amount of Mayoral Allowance by \$15,000
Telecommunications Allowance	\$2,400	Paid in addition to discretionary expenses and Mayoral/Deputy Mayoral Allowances.
Information Technology Allowance	\$1,000	Annual allowance – paid in addition to Mayoral/Deputy Mayoral Allowances
Parking And Tolls Incurred Whilst on Council business	Actual costs Included in annual expenses limit	Reasonable costs only at discretion/judgement of CEO or Governance Committee
Clothing, Apparel, Personal Presentation And Incidental Costs	Actual costs Included in annual expenses limit	Reasonable costs only at discretion/judgement of CEO or Governance Committee
City Of Melville Provided Health & Fitness Programs	Actual cost up to \$1,000 Included in annual expenses limit	
Postage And Stationery	Actual costs Included in annual expenses limit	Reasonable costs only at discretion/judgement of CEO or Governance Committee

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Other Expenses Of A <b>Council</b> Business Nature	Actual costs Included in annual expenses limit	Reasonable costs only at discretion/judgement of CEO or Governance Committee
Meeting Attendance/Sitting Fees	Mayor - \$14,000 Deputy Mayor - \$7,000 Other Elected Members - \$7,000	In addition to Annual Mayoral & Deputy Mayoral Allowance
Special Office Capital Equipment	\$1,700 in year of election \$1,100 per annum each year thereafter	Adjusted annually by March annual Perth CPI
Conference, congress seminar & training expenses of Elected Members choosing.	\$4,500	Includes travel, sustenance, conference, congress, seminar registrations, accompanying spouse program registration & attendance at conference dinner.
CEO directed training courses & annual state WALGA conference.	Funded from Corporate funds	Training required to induct & keep Elected Members up-to- date with their legal obligations will be arranged & funded by the CEO as deemed necessary.

**References that may be applicable to this Policy**

Legislative Requirements:

Procedure, Process Maps, Work Instructions:

Other Plans, Frameworks, Documents Applicable to Policy:

Delegated Authority No:

**ORIGIN/AUTHORITY**

Administration & Community Services Committee  
(Formerly Council Members Policy 2 – ACS 15/2/94)

5/10/99

**ITEM NO.**

A99/1015

**REVIEWS**

House Committee  
House Committee  
Community & Technical Services Committee  
Community & Technical Services Committee  
House Committee  
Ordinary Meeting of Council  
Ordinary Meeting of Council

22/05/00  
14/03/02  
06/07/04  
07/06/05  
26/04/06  
23/02/07  
15/12/09

2 & 3  
2.5  
C04/5011  
C05/5007  
Item 3  
C07/6004  
C09/5097

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