

5.10 ADVERTISING OF AMENDED POLICY - COUNCIL MEMBERS – ALLOWANCES, FEES AND REIMBURSEMENT OF EXPENSES POLICY

Attachments: 1. **Council Members – Allowances, Fees and Reimbursement of Expenses Policy - (marked up)**

RECOMMENDATION

That Council

APPROVES the proposed amendments to the Council Members – Allowances, Fees and Reimbursement of Expenses Policy, at Attachment 1, for the purpose of community consultation. .

PURPOSE OF REPORT:

For Council to approve, for the purpose of community consultation, the proposed amendments to the Council Members – Allowances, Fees and Reimbursement of Expenses Policy as detailed at **Attachment 1**.

BACKGROUND:

The City of Perth Inquiry Panel was appointed on 2 March 2018 by the Minister for Local Government to conduct an inquiry into the ability of the City of Perth to provide for the good governance of the people in the City of Perth. The Inquiry was concluded on 30 June 2020 and the Final Report was tabled in Parliament and published on 11 August 2020.

The Final Report made the following key findings:

- widespread cultural and systematic failings in both the City of Perth Council and Administration;
- lack of transparency, accountability and integrity at all levels of decision making; and
- poor and dysfunctional governance.

As a result of these findings, the review of the City's Policy No. 4.2.7 – Council Members – Allowances, Fees and Reimbursement of Expenses Policy was prioritised and undertaken in December 2020.

The findings of Administration's review, including the requirement of provisions outlined in clause 1.3 of the Policy Development and Review Policy, were presented to Council Members at the February 2021 Council Workshop and re-presented in the monthly Policy Paper in November 2021.

In accordance with regulation 29C(2)(f) and 29C(6) of the *Local Government Administration Regulations 1996* (Regulations) local governments are required to publish, on the local government's official website, the type, and the amount or value, of any fees, expenses or allowances paid to each Council Member during a financial year beginning on or after 1 July 2020.

Council, at its Meeting on 5 April 2016, resolved to publish Mayor and Council Member sitting fees, allowances, and meeting attendances, as reported in the annual report.

These are published on the City's website under Council Member Sitting Fees, Allowances and Meeting Attendance and as a Publicly Available Register published each year.

DETAILS:

A documented policy position is required to determine and govern the structure under which Council Members are financially supported while performing the official functions and duties of office.

The report of the inquiry into the City of Perth identifies the importance of transparency and accountability when processing entitlements of office.

A key area for aligning with the City of Perth Inquiry findings identified an improvement to the City's process for documenting Council Member reimbursements.

The substantive changes to the policy are as follows:

1. Consideration of Policy Objectives

The policy is lacking a consistent approach to appropriately administer and document the reimbursement of expenses incurred by Council Members in their official capacity.

Administration recommends the inclusion of a third objective to facilitate the documentation of Council Member reimbursements as follows:

3. appropriately administer and document the reimbursement of expenses incurred by Council Members in their official capacity.

2. Councillors Meeting Room

The City currently provides use of the Councillors Meeting Room within the City's Administration and Civic Centre, for use by Council Members. A provision for this entitlement currently exists within the Civic Functions Policy. This provision would be better placed in the Council Members – Allowances, Fees and Reimbursement of Expenses Policy as a Council Member entitlement.

The Civic Functions Policy was reviewed earlier this year and the outcome of that review presented in the July policy paper. It is proposed that the Civic Functions policy will be recommended for repeal following the inclusion of this entitlement in the Council Members – Allowances, Fees and Reimbursement of Expenses Policy.

This has been added as new clause 2.3.

3. Annual ICT Allowance

Council Members are entitled to be reimbursed for information and communications technology expenses, childcare expenses, and travel costs.

As with the amount payable for meeting fees, the extent to which the above expenses can be reimbursed is established by the Salaries and Allowances Tribunal (SAT) under the *Salaries and Allowances Act 1975*.

Under the Tribunal's determination the minimum and maximum set for the annual allowance for ICT expenses is \$500 to \$3,500. Council has set the level for Council Members at \$2,500.

Administration has researched 12 other metropolitan Local Governments in relation to their ICT allowance policy provisions.

Of these 12 Local Governments Administration found that 10 paid an ICT allowance equal to the maximum set by SAT in addition to providing Council Members with the use of City owned laptops/tablets or iPads. The remaining two (Subiaco and Mosman Park) paying the maximum ICT allowance but providing no equipment.

Council last determined the level of the ICT Allowance in April 2017 where after consideration of research into the typical costs of Council Member ICT needs, reduced the allowance from \$3,500 to \$2,500pa. At the time it was noted that in accordance with the Local Government Act 1995, any Council Member, including the Mayor, would still be entitled to claim reimbursement of other ICT costs over and above this amount upon the provision of evidence of expenditure incurred.

It is not proposed to change the ICT Allowance from what currently stands.

In accordance with clause 4.1(e) this allowance is in addition to any computing device provided by the City to enable the Council Members to fulfil their role.

Clause 4.1(e) also notes that the device supplied is to be approved by Council. Administration has updated this clause to reflect the City's excising practice that Council Members are provided with a computing device that is compatible with the City's security; systems and within budgetary constraints.

4. Inconsistent Reimbursement Requirements

Clauses 5.1 to 5.4 are inconsistent with other reimbursement requirements of the policy. Clause 5 of the policy has been updated to require the submission of Appendix A (Council Members Travel and Parking Expense Claim form) for all travel reimbursement requests. This will ensure that the date and detail of the meeting are documented.

5. Council Member Professional Development

The provisions of clause 7 have been superseded by the Elected Members Continuing Professional Development Policy adopted in June 2020. Approval for professional development is subject to budgetary funds being available.

6. Register of Council Member reimbursements

To support implementation of proposed objective 3 and to reinforce the City's reporting obligations in accordance with Regulation 29C(2)(f) and 29C(6) of the Regulations, Administration has included a new clause 10.5 requiring the Chief Executive Officer to maintain a register of Council Member reimbursements and to publish the register on the City's website.

CONSULTATION/ADVERTISING:

In accordance with the City's Community and Stakeholder Engagement Policy, community consultation on all new and significantly amended policies must be provided for a period exceeding 21 days in the following ways:

- notice published on the City's website;
- notice posted to the City's social media;
- notice published in the local newspapers;
- notice exhibited on the notice board at the City's Administration and Library and Local History Centre; and
- letters distributed to relevant local businesses and community groups.

LEGAL/POLICY:

Section 2.7(2)(b) of the *Local Government Act 1995* provides Council with the power to determine policies.

The City's Policy Development and Review Policy sets out the process for the development and review of the City's policy documents.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to provide public notice of the proposed amended policy.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Innovative and Accountable

We are open and accountable to an engaged community.

Our community is aware of what we are doing and how we are meeting our goals.

SUSTAINABILITY IMPLICATIONS:

This does not contribute to any environmental sustainability outcomes.

PUBLIC HEALTH IMPLICATIONS:

This does not contribute to any public health outcomes in the *City's Public Health Plan 2020-2025*.

FINANCIAL/BUDGET IMPLICATIONS:

The Salaries and Allowances Tribunal (SAT) determines the remuneration to be provided to Council Members.

The 2021 determination was published on 8 April 2021.

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| | |
|--|---|
| Legislation / local law requirements | <p><i>Local Government Act 1995, Local Government (Administration) Regulations 1996 and Salaries and Allowances Act 1975</i></p> <p>In accordance with section 5.96A of the <i>Local Government Act 1995</i> and Regs 29C(2)(f)& (6) of the <i>Local Government (Administration) Regulations 1996</i>, the Chief Executive Officer must publish the type, and the amount or value, of any fees, expenses or allowances paid to each Council Member during a financial year beginning on or after 1 July 2020.</p> |
| Relevant delegations | <p>Nil.</p> |
| Related policies, procedures and supporting documentation | <p>Council Member Travel and Parking Expenses Claim Form (Appendix A) Council Member Child Care Expenses Claim Form (Appendix B) Council Member Miscellaneous Expenses Claim Form (Appendix C)</p> |

PART 1 – PRELIMINARY

INTRODUCTION

Council Member fees and allowances are determined by the salaries and allowances tribunal according to 'band' classification for local governments in Western Australia.

Under the Tribunal's determination, the City of Vincent has been classified as a band 2.

The [Salaries and Wages Tribunal](#) undertakes an annual determination of fees and expenses payable to local government Council Members.

PURPOSE

To provide guidance and clarity with regard to the allowances and expenses that will be paid to Council Members in accordance with the *Local Government Act 1995 (Act)*, *Local Government (Administration) Regulations 1996 (Regulations)* and the *Salaries and Allowances Act 1975*.

OBJECTIVE

To:

1. clearly outline the financial support that will be provided to Council Members through the payment of allowances, fees and reimbursement of expenses incurred and insurance cover within the provisions of the Act while performing the official functions and duties of office;
2. set out a structure under which Council Members are to be paid either a meeting fee or an annual attendance fee in recognition to each Council Member's commitment, pursuant to Sections 5.98, 5.98A and 5.99 of the Act; and
3. appropriately administer and document the reimbursement of expenses incurred by Council Members in their official capacity.

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SCOPE

This policy applies to the determination and remuneration of Council Member allowances, fees, and reimbursement of expenses.

DEFINITIONS

Council Member means a person who is currently serving a term of office as an elected member of the Council in accordance with the Act.

ICT expenses means:

- Rental charges in relation to information and communications technology (ICT) services and equipment as prescribed by regulation 31(1)(a) of the Local Government Administration Regulations 1996 (Regulations); or
- Any other expenses that relate to information and communications technology and that are a kind of expense prescribed by regulation 32(1) of the Regulations;”

POLICY PROVISIONS

1. Allowances

1.1 Annual Meeting Attendance Fees

The City will pay Council Members an Annual Meeting Attendance Fee to the maximum amount allowable within the prescribed legislation. ~~This is provided on the principle that each Council Member regularly attends meetings of Council (and committees, where appropriate) to which they are appointed and carry out other responsibilities of the office.~~

1.2 Mayoral Allowance

The City will pay the Mayor an Annual Local Government Allowance to the maximum amount allowable within the prescribed legislation. (Section 5.98, ~~of the Act~~) ~~Regulation 33 Local Government (Administration) Regulations 1996~~.

1.3 Deputy Mayoral Allowance

The City will pay the Deputy Mayor an Annual Local Government Allowance equivalent to 25% (maximum allowed is 25%) of the Mayoral Allowance. (Section 5.98A, ~~of the Act~~) ~~Regulation 33A of Local Government (Administration) Regulations 1996~~.

1.4 Payment

The fees in 1.1, 1.2 and 1.3 above are to be paid to each Council Member monthly in arrears.

2 Office of the Mayor

2.1 Mayor's Office

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The City is to provide to the Mayor, at the City's cost, the following within the City's Administration and Civic Centre:

- a. the use of a suitable office;
- b. the allocation of sufficient finances and resources by Council to provide ongoing administrative support to the Mayor in the form of a personal assistant;
- c. photocopying and postage;
- d. the use of a computer and telephone; and
- e. beverages as provided.

2.2 Vehicle for Office of Mayor

The Office of the Mayor will be provided with an electric bicycle for all official duties connected to the office of Mayor. The bicycle will be replaced as part of the normal replacement program. All costs associated with the maintenance and upkeep of the electric bicycle are to be borne by **the City of Vincent**.

2.3 Councillors Meeting Room

The City is to provide use of the Councillors Meeting Room within the City's Administration and Civic Centre, for the use by Council Members for official purposes.

3 Expenses to be Reimbursed

Regulation 32(1) of the Regulations prescribe expenses that may be approved by a Local Government for reimbursement.

The express authority of the Council is given to Council Members to attend the following functions in the performance of their duty as a Council Member, for which an expense incurred can be reimbursed:

- a. council meetings, council briefings, council workshops, general meetings of Electors, civic functions or citizenship ceremonies called by either the Council, the Mayor and/or the Chief Executive Officer;
- b. regional councils, committees, advisory groups and working groups to which the Council Member is appointed as a delegate or member by Council;
- c. meetings and functions scheduled by the Chief Executive Officer;
- d. conferences, or meetings of community organisations, industry groups and local government associations to which the Council Member has been appointed by Council as its delegate;
- e. functions and presentations attended as the Mayor, or as a representative of the Mayor, that are supported by a copy of the relevant invitation or request for attendance;
- f. any other occasion in the performance of an act under the express authority of Council.
- g. site inspections in connection with matters listed on any Council Agenda paper (Council Members to state an address, along with the date and time of the visit on the claim form).
- h. in response to a request to meet with a ratepayer/elector but excluding the day of Council Elections. (Members to state the time and purpose of the visit and the name and address of the ratepayer/elector on the claim form).
- i. approved education and training courses/events;

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- j. meetings of Town Teams and Precinct Groups within the City of Vincent;
- k. any ceremony for the presentation by the City of awards to school students by any member responsible for presentation of the awards;
- l. events that are sponsored or organised by the City of Vincent.

~~4.1 “ICT expenses” means –~~

- ~~• rental charges in relation to one telephone and one facsimile machine, as prescribed by regulation 31(1)(a) of the LG Regulations; or~~
- ~~• any other expenses that relate to information and communications technology (for example, telephone call charges and internet service provider fees) and that are a kind of expense prescribed by regulation 32(1) of the LG Regulations;”~~

4 Information and Communication Technology Allowance (“ICT”)

4.1 Council Member ICT Equipment

- a. The City will provide Council Members equipment to receive and view electronic communications from the City.
- b. Any equipment (including software) provided by the City will be repaired, serviced, maintained and/or replaced by the City. The City will retain ownership of any equipment provided under this clause.

~~4.2(a) c.~~ Departing Council Members are eligible to purchase equipment purchased on their behalf and used by them during their term of office as follows:

| Years of Service | Amount Payable |
|--|-----------------------|
| 1st year of service (or part thereof) | not available |
| 2nd year of service (or part thereof) | not available |
| 3rd year of service (or part thereof) | 50% of purchase price |
| 4th year of service (or part thereof) | 25% of purchase price |
| Upon retirement after more than 4 years’ service | 0% of purchase price |

~~b) —Where an item has been purchased in the twelve (12) months preceding a Council Member’s retirement or cessation as a Council Member, the cost shall be the “written down” value of the item or 50% of the item’s purchase price, whichever is the higher~~

4.2 Annual ICT Allowance

- ~~4.1(a)~~ a. The City will pay Council Members an annual ICT Allowance of \$2,500. This Allowance covers ICT expenses incurred by Council Members in performing a function under the express authority of the Council or in performing a function in the Council Member’s official capacity.
- b. Any claims by Council Members for ICT expenses incurred over the ICT Allowance are to be submitted on the Reimbursement of Expenses Form. Any such claims must be supported by receipted invoices. It must also be demonstrated, to the reasonable

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satisfaction of the CEO, that the ICT Allowance has been expended on allowable ICT expenses.

c. The annual ICT Allowance is for ICT expenses relating to:

- ~~1. telephone usage (including purchase, rental, plans/contracts and/or payments);~~
- ~~2. line rental;~~
- ~~3. call and service charges;~~
- ~~4. costs for installation of an additional line (if required by the Council Member);~~
- ~~5. purchase of mobile phones, (and any replacements) and extra telephone lines or call costs;~~
- ~~6. telephone usage (including purchase, rental, plans/contracts and/or payments);~~
- ~~7. line rental;~~
- ~~8. call and service charges;~~
- ~~9. costs for installation of an additional line (if required by the Council Member);~~
- ~~10. purchase of mobile phones, (and any replacements) and extra telephone lines or call costs;~~

- ICT equipment and software including purchase, rental and lease costs
- Insurance and maintenance
- Service and installation fees
- Ongoing costs including phone and Internet bandwidth charges
- Consumables including paper and ink for printing

d. In recognition of possible capital costs associated with ICT expenses, payment will be made, in advance, as follows:

- 50% to be paid in the month of October; and
- 50% to be paid in the month of April.

~~(e) This Allowance is in addition to any laptop, tablet and/or printer which is approved by the Council to enable the Council Member to fulfil their role. Any equipment (including software) provided by the City will be repaired, serviced, maintained and/or replaced by the City. The City will retain ownership of any equipment provided under this clause~~

5 Travel Expenses

Council Members shall be entitled to reimbursement of travel expenses incurred while travelling to a destination from their normal place of residence or work and return for which express authority has been given in clause 1.3. The following reimbursement will be processed upon submission of Council Member – Travel and Parking Expenses Claim Form (as shown in Appendix A) and accompanying receipt.

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5.1 Motor Vehicle Allowance

Where a Council Member uses their own vehicle in or in connection with the performance of their duties, the Council Member will be paid an allowance for each kilometre of authorised travel as set in the Local Government Industry Award 2010.

5.2 Public Transport

A Council Member may use the services of the bus, rail and ferry public transport system, expenditure for which shall be reimbursed. ~~upon lodgement of receipts.~~

5.3 Parking Fees

Parking fees incurred as a result of travel to any occasion referred to in clause 1.3 above shall be reimbursed. ~~upon lodgement of receipts accompanying the associated travel claim form.~~ The cost of valet parking will not be reimbursed.

5.4 Cab Charge Vouchers

Council Members are authorised to use Cab Charge vouchers for travelling to any occasion referred to in Clause 1.3.

6 **Child Care Costs**

Council Members shall be entitled to reimbursement upon submission of Council Members Request for Reimbursement of Child Care Expenses Claim Form (as shown in Appendix B), a receipt and certified statement detailing dates, costs and relevant information of meeting of the lesser amount of actual childcare costs or to the maximum hourly rate prescribed by the Salaries and Allowances Tribunal. Claims can only be made for care of children, of which they are parent or legal guardian, while attending any occasion referred to in clause 1.3.

~~7—Training, Education, Conferences and Seminars~~

~~7.1—Training and Education~~

- ~~a.—Council Members who wish to attend training and education courses may make an application in writing to the Chief Executive Officer.~~
- ~~b.—The Chief Executive Officer is authorised to arrange, at the City's cost, an educational course of study for the Council Member which course is:

 - ~~i.—conducted by a Western Australian University, tertiary educational institution or registered training organisation; and~~
 - ~~ii.—considered by the Chief Executive Officer to be directly relevant to the performance for the City of its functions including planning, financial management, corporate governance and social infrastructure.~~~~
- ~~c.—A maximum cost of \$7000 per Member per four-year term is set for the cost under 7.1(b) above, including fees, reference books and the like.~~

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- ~~d. The Council Member is not entitled to any subsidy where a course of study is subsidised through other means.~~
- ~~e. Council Members will be required to reimburse any payments made in accordance with Clause 7.1(b) above in the event that they do not successfully complete the relevant course of study.~~

~~7.2 Conferences and Seminars~~

~~Council Members shall be entitled to reimbursement for expenditure incurred as a result of attendance at conference and seminars in accordance with the provisions of Council Policy No. 4.1.15-Conferences.~~

~~Any requests for attendance at a training, education, conference or seminar event that falls within the last six months of a Council Members' term of office will be referred to the Council for approval. To avoid confusion the date for which this shall take effect shall be taken from the date for which the Unit of study commences, or the conference/seminar/training event starts.~~

8-7 Insurance

Council will provide insurance cover for Council Members for:

- a. personal accident whilst engaged in the performance of the official duties of their office.
- b. professional indemnity for matters arising out of the performance of the official duties of their office, provided the performance or exercise of the official duty is in the opinion of Council, not illegal, dishonest, unreasonable, in bad faith or against the interests of the City.
- c. public liability for matters arising out of the performance of the official duties of their office but subject to any limitations set out in the insurance policy.
- d. motor vehicle at the particular time owned or driven by the Council Member or driven by another person on behalf of the Council Member whilst a vehicle is being used in connection with Council business, including attending meetings of the council or as a delegate of the council, meetings of municipal or association conferences or regional councils or committees of them. Such motor vehicle insurance provides cover in excess of any amount for which Council Members are otherwise insured.

9-8 Stationery and Consumables

9-4 8.1 Stationery, Consumables and Postage

The cost of consumables, stationery and postage associated with the role as an Council Member, will be reimbursed to a maximum of **\$200** per annum, on the receipt of a claim and a declaration that the consumables were used in performing the functions of an Council Member and were not in any way associated with campaigning for election as an Council Member. Council Members may choose to purchase their own consumables and claim reimbursement on production of receipts or access such items through the City. Council Members are to forward requests for stationery to the Personal Assistant to the Mayor who will coordinate the supply, keep a total of costs incurred and notify Council Members if the maximum allowance is reached.

Each Council Member shall be entitled to reimbursement, upon submission of a Council Members Miscellaneous Expenses Claim Form (as shown in Appendix C). Any such claims

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must be supported by receipted invoices. The allowance for stationery, consumables and postage includes up to 100 Christmas Cards for Council Members.

Christmas Cards for the Office of the Mayor is included in the "Stationery and Consumables" account – Members of Council cost centre.

9.2 8.2 Letterheads and Business Cards

In addition to clause 9.1, all Council Members will be supplied with business cards, letterhead paper and envelopes as reasonably required to carry out the duties of the role.

Council Member letterheads are not issued for personal use and are only to be used for Council business.

10 9 Acknowledgement of Service and Retirement Gifts

On retirement, a Council Member will be presented with a framed certificate identifying the name of the Council Member and the years of service to Council, signed by the Mayor and the Chief Executive Officer. The certificate shall be presented at a Council Meeting or at a function to be determined by the Mayor and Chief Executive Officer.

Despite the provisions of Reg 34AC of the Regulations, Council believe that the purchase of a retirement gift is an unnecessary use of public money, and a retirement gift will not be given by the City.

11 10 Policy Administration

11.1 10.1 Pro-rata Allocations

Where a Council Member serves for only part of a financial year, the limit for any allowance or payment which has an annual limit specified, is to be determined on a pro rata basis based on the number of months, or part of a month, that a member serves.

11.2 10.2 Time Limit on Claims and Approval Process

Council Members choosing to receive reimbursement of expenses in accordance with the provision of this policy should submit the appropriate Reimbursement of Expenses Form to the Chief Executive Officer, together with supporting documentation, within three (3) calendar months after the month in which the expenses were incurred, and by 15 July of the next financial year, in order to facilitate the finalisation of the annual financial statements

11.3 10.3 Conditions Relating to Payment of Fees and Allowances

- a. All Allowances and Fees shall be paid automatically unless a Council Member has advised the Chief Executive Officer in writing that he/she does not want to claim any or part of those Fees, Allowances, and entitlements.

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- b. If a Council Member advises that he/she does not want all or part of the Fees, Allowances, and entitlements to which he/she is entitled, any subsequent request for full or additional payment will not be back paid but accrue from the date of such request.
- c. The taxation liability arising from these payments is the individual responsibility of each Council Member.

11.4 10.4 Dispute Resolution

Any disputes in regard to this policy will be referred to the Chief Executive Officer in the first instance. In the event that the Council Member and the Chief Executive Officer cannot reach an agreement, the matter will be reported to the Council for a decision.

10.5 Register of Council Member Reimbursements

The Chief Executive Officer will maintain a Register of Council Member reimbursements for each financial year and will publish the register on the City's website on or before 14 July immediately following the end of the financial year to which the information relates.

| OFFICE USE ONLY | |
|--------------------------|---|
| RESPONSIBLE OFFICER | Please use title only |
| INITIAL COUNCIL ADOPTION | DD/MM/YYYY |
| PREVIOUS TITLE | Applicable if the policy has been renamed |
| REVIEWED / AMENDED | DD/MM/YYYY |
| NEXT REVIEW DATE | MM/YYYY |