



## **Council Expenses Policy 2020**

# Contents

Council Expenses Policy 2020Contents .....	1
1. Background and purpose .....	4
2. General principles .....	4
3. Policy statement on directly attributable Councillor expenses .....	5
3.1. Conferences, functions and training .....	5
3.1.1. Attending conferences and functions .....	5
3.1.2. Accompanying partners/guests .....	5
3.1.3. Presenter at a conference .....	6
3.1.4. Training courses and seminars .....	6
3.1.5. Memberships and subscriptions .....	6
3.2. Travel - local .....	6
3.2.1. Car parking fees and permits .....	6
3.2.2. Public transport .....	6
3.2.3. Use of taxis .....	7
3.2.4. Use of private vehicles .....	7
3.2.5. Tolls .....	7
3.2.6. Council fleet vehicles .....	7
3.2.7. Accommodation and Incidentals .....	8
3.3. Communication .....	8
3.3.1. Equipment and services .....	8
3.3.2. Mail .....	8
3.4. Functions external to the Town Hall .....	9
3.4.1. Hospitality expenses incurred outside the Town Hall .....	9
3.5. Carer Expenses .....	9
3.5.1. Expenses incurred in the provision of carer services .....	9
4. Interstate and international travel .....	10
4.1. Introduction .....	10
4.2. Authorisation and reporting framework .....	10
4.2.1. Proposal to travel by Councillors .....	10
4.2.2. Interstate travel by the Lord Mayor .....	10
4.2.3. Approval to travel in urgent circumstances .....	10
4.2.4. Post travel report .....	11
4.2.5. Undertaking Council business while on private travel .....	11
4.2.6. Partner/companion travel .....	11
4.2.7. Non-Council funded travel .....	11

4.3.	Travel arrangements.....	12
4.3.1.	Bookings and confirmation.....	12
4.3.2.	Duration of travel.....	12
4.3.3.	Insurance .....	12
4.3.4.	Passport and visas.....	12
4.4.	Travel expenses.....	13
4.4.1.	Fares .....	13
4.4.2.	Accommodation .....	13
4.4.3.	Sustenance and hospitality .....	13
4.4.4.	Vehicle expenses .....	13
4.4.5.	Incidental expenses .....	14
4.4.6.	Cash advances: assisting Councillors with daily travel expenses .....	14
4.4.7.	Reconciliation of travel expenses .....	14
4.4.8.	Unexpended amounts of cash advances.....	14
4.4.9.	Excess expenditure.....	14
4.4.10.	Receipts .....	14
4.4.11.	Business mission travel costs.....	15
4.5.	Travel expense reporting requirements .....	15
5.	Management mechanisms and operational costs .....	15
5.1.	Management procedures .....	15
5.1.1.	Methods of incurring expenses and operational costs.....	15
5.1.2.	Monitoring mechanisms .....	16
5.2.	Use of facilities .....	16
5.2.1.	General .....	16
5.2.2.	Office of Lord Mayor .....	16
5.2.3.	Office of Deputy Lord Mayor .....	16
5.2.4.	Office of Councillors .....	16
5.2.5.	Council car park .....	17
5.3.	Office accommodation and support staff .....	17
5.4.	Shared facilities and services .....	17
5.5.	Gifts.....	17
5.6.	Legal costs .....	18
5.7.	Tax requirements .....	18
5.8.	Review .....	18

# 1. Background and purpose

Significant demands and expectations are placed on the Lord Mayor, Deputy Lord Mayor and Councillors of the City of Melbourne (Councillors) in carrying out their civic and statutory functions. In carrying out their policy development, representation and communication roles, Councillors accept a range of roles and responsibilities in representing a capital city government, its community and stakeholders at a local, national and international level.

The Council Expenses Policy (Policy) has been developed to provide a broad overview of how the Council can provide assistance and support to the Councillors when conducting council business.

The allowance paid to Councillors is set by the Victorian Government. The current allowance rates can be found on the City of Melbourne's website at [www.melbourne.vic.gov.au](http://www.melbourne.vic.gov.au). The Policy acknowledges the demands and expectations placed on the Councillors and where necessary provides that appropriate resourcing and facilities be offered to successfully fulfil this role.

Section 41 of the *Local Government Act 2020* provides that a Council must adopt and maintain a policy in relation to reimbursement of expenses of Councillors and members of delegated committees of Council. This Policy covers Councillors as members of Council and delegated committees of Council.

Section 3.5 of the Policy in respect to reimbursement of out of pocket carer expenses, applies to members of delegated committees of Council who are not Councillors or members of staff or councillors of any other council. Where Council officers are members of delegated committees of Council, the provisions contained in the Employee Reimbursement of Expenses Guidelines shall apply.

The cost of allowances and reimbursed expenses paid to Councillors together with the costs of related services and resources are managed as part of Council's annual budget process.

## 2. General principles

The general principles underpinning the Policy are as follows:

- The processes, facilities and services apply to the Councillors. Where there is a variation, it is specified in the relevant section.
- The services and facilities provided are for use while conducting Council related business. Some exceptions apply and where applicable are identified in the Policy.
- Councillor expenses are those costs necessarily incurred by Councillors (out-of-pocket) or on behalf of Councillors for the purpose of Council business.
- When claiming out-of-pocket expenses, original receipts or supporting documentation must be provided to support claims. In some cases, original receipts will be returned following submission of a claim.
- Claims for facilities and expenses other than those included in this document should be referred to the Chief Executive Officer or delegate.
- Any costs incurred by a Councillor which are not covered specifically within the Policy will not be met, unless the Councillor has received prior authorisation from the Council or, if delegated to do so, from the Chief Executive Officer.
- Costs associated with supporting Councillors are categorised in three areas, namely directly attributable costs, interstate and international travel costs and operational costs.
- Remuneration or fees offered to Councillors for participation in external activities in the capacity of Councillor should be paid to Council. This includes fees for presentations delivered at conferences and seminars. It also includes fees for positions on external boards, committees and organisations

received by virtue of direct appointment by resolution of Council. In circumstances where fees are offered for positions gained through a separate election or selection process conducted by an external organisation, a Councillor may retain the fees.

- Separate reimbursement of out of pocket expenses to members of delegated committees of Council, is not appropriate where the member is a councillor or member of staff of another council.

### **3. Policy statement on directly attributable Councillor expenses**

As part of Council's commitment to open and transparent activities, details of expenses incurred by the Councillors are made public.

Sections 3.1 to 3.5 of the Policy outline the directly attributable Councillor expense categories which form the basis of the quarterly report.

#### **Reporting to Councillors**

Councillors will be provided with quarterly reports on directly attributable Councillor expenses categories described in sections 3.1 to 3.5. These reports must be certified by Councillors prior to the publication of the quarterly report. Councillors will generally be provided 14 days to review a report and seek clarification where required.

Councillors shall be given an opportunity to reimburse Council for any expenditure incurred on non-Council related business. Where a Councillor chooses to reimburse Council, reimbursement should occur within 14 days of the quarterly expense report being published on the Council's website.

#### **Publication**

Details of Councillor expenses will be published on the Council website and made available to members of the public, on request, after publication. The published report will include a total cost in each category for the Lord Mayor, Deputy Lord Mayor and other Councillors. Publication on the website shall occur before the end of the month following each quarter. Expenses incurred as part of interstate and international travel on behalf of Council will be recorded in the travel register (see section 4.5). The travel register and Councillor expense reports are published concurrently.

#### **3.1. Conferences, functions and training**

Councillors shall have the opportunity of participating in a range of conferences, functions, training courses, seminars and similar activities. The type shall generally be of a one-off, occasional or short-term nature and be supported by a program, course material or invitation by organisers. Further details are outlined below.

##### **3.1.1. Attending conferences and functions**

Conferences and seminars are organised by local government related organisations, professional bodies and private sector providers on issues and events which impact on the role of Councillors and the city in general.

The purchase of Council tables at functions shall be considered as part of the process overseeing use of discretionary funds and requires Council or Future Melbourne Committee approval.

Requests for attendance at interstate or international conferences and events must be made in line with the interstate and international travel approval processes outlined in section 4.2.

##### **3.1.2. Accompanying partners/guests**

A partner or guest may accompany a Councillor to conferences, events and functions. Events and functions will generally involve luncheons and evening activities and be of a nature where other attendees will be accompanied by partners. In situations where a Councillor wishes to invite additional guests to a function or

event, he or she may do so if a council business case can be demonstrated. A request for up to three guests (including a partner) will be considered.

### **3.1.3. Presenter at a conference**

Councillors may receive invitations to speak at a conference in their capacity as a Councillor. In some cases, conference organisers may waive or cover registration fees for participation.

### **3.1.4. Training courses and seminars**

The Council strongly supports the enhancement of skills required by Councillors to assist in carrying out their role. This includes participating in a range of one-off or short-term training courses, seminars and activities in a variety of areas of professional and personal development. These may be provided internally or by professional bodies, private organisations and educational institutions.

Councillors wishing to undertake any training courses offered outside Victoria need to seek travel approval in accordance with requirements set out in section 4 of the Policy.

Professional or personal development needs which require or involve on-going, longer-term support, guidance or mentoring should first be discussed with the Chief Executive Officer or delegate who will assist Councillors in line with an agreed framework and process. The Chief Executive Officer will inform all Councillors of implemented arrangements. These needs fall outside this category and do not form part of quarterly expense reports.

In the first year of a Council term, costs associated with all training and development needs are absorbed as part of an induction period budget and do not form part of quarterly expense reports.

### **3.1.5. Memberships and subscriptions**

The Council will reimburse Councillors or directly pay membership and subscription fees to bodies and organisations whose activities are relevant to the role of Councillors, portfolio or capital city role of Council. In seeking membership or subscription, the Councillor will identify the link to Council business and how membership will assist in development or fulfilment of their role.

## **3.2. Travel - local**

The following support is provided to assist Councillors with local travel costs when conducting Council business. Councillors are encouraged to consider the most environmentally friendly modes of transport and should take into account the circumstances of a particular situation including weather, time of day and distance.

### **3.2.1. Car parking fees and permits**

On and off-street car parking fees may be reimbursed and claims should be accompanied by details stating the nature of Council business and date and time of activity.

Parking permits shall also be issued to Councillors and allow parking in City of Melbourne resident permit areas when conducting Council business.

### **3.2.2. Public transport**

Councillors shall have access to a Council supplied Myki card to enable travel on trains, trams, buses and light rail journeys within and outside the municipality. Councillors with personal Myki cards can submit a claim for specific trips undertaken on Council business.

### **3.2.3. Use of taxis**

Cabcharge Cards issued to all Councillors may be used for taxi services. Cabcharge Cards are to be used by the cardholder only and must not be provided to any other individual for use.

Councillors should retain information which will assist in the verification of nature of Council business, date, time and cost of transactions. To assist the process, transaction statements will be issued to Councillors. Councillors who incur taxis costs without use of a Cabcharge card can make a claim for reimbursement.

Councillors who use rideshare services while conducting Council related business will be reimbursed costs.

### **3.2.4. Use of private vehicles**

Costs relating to use of a private vehicle based on the following allowance rates may be claimed:

- Motor vehicles: 60 cents per kilometre
- Motor cycles: 30 cents per kilometre
- Bicycles: 20 cents per kilometre

A record of private vehicle use must be maintained by the Councillor and shall contain details of Council business, date, destination and number of kilometres and any tolls.

### **3.2.5. Tolls**

Councillors may incur tolls including those associated with the use of CityLink and EastLink while conducting Council business. Councillors may seek reimbursement of costs associated with tolls, including the use of day passes or those transactions incurred as part of existing personal e-tag accounts.

Council supplied e-tags are provided for Council fleet vehicles..

### **3.2.6. Council fleet vehicles**

To assist in meeting the demands and expectations placed on the Council's leadership team, access to Council fleet vehicles or a driver service shall be offered for use by the Lord Mayor and Deputy Lord Mayor.

Where a Council vehicle is provided the type shall comply with the City of Melbourne Corporate Vehicle Fleet Policy. An allocated Council vehicle/s may also be used for private purposes.

When available, the vehicles or services may be used by other Councillors when representing the Lord Mayor or Deputy Lord Mayor at formal commitments and events.

In situations where senior dignitaries and officials are visiting Melbourne, the Lord Mayor may recommend to the Chief Executive Officer that the services of a driver and Council vehicle be offered to assist with transport to official engagements.

In some circumstances, it may be appropriate to use a driver service to transport a Councillor to a function of a formal and official nature. Approval of the Chief Executive Officer or delegate and Lord Mayor is required prior to booking such a vehicle.

The costs associated with provision of fleet vehicles or use of driver service will be recorded in quarterly Councillor expense reports.

As part of Council's commitment to encouraging use of environmentally friendly modes of transport, Councillors shall be provided with access to fleet bicycles, including motorised bicycles, when undertaking Council business. If a Councillor requires provision of a designated bicycle or motorised bicycle, a request should be made to the Chief Executive Officer or delegate. The costs associated with provision of a designated bicycle and on-going maintenance will be included in a Councillor's quarterly expense report.

### **3.2.7. Accommodation and Incidentals**

When travelling on Council business in outer metropolitan Melbourne and regional Victoria, Councillors may require accommodation. Councillors can stay in reasonable accommodation appropriate to the area travelled to and the nature of the visit. As a guide, four star accommodation is considered appropriate.

Bookings for accommodation should be made through the Council's travel agent or directly with the accommodation provider. Prior to making the booking, the authorisation of the Chief Executive Officer or delegate must be obtained. All reasonable sustenance and incidental costs associated with outer metropolitan Melbourne and regional Victoria travel will be met by Council.

## **3.3. Communication**

### **3.3.1. Equipment and services**

Communication equipment and services shall be provided to assist Councillors in the conduct of Council business. This includes equipment and services that support landline and mobile telephones, internet access, multifunction devices, laptop computers and tablet devices. A reasonable arrangement of equipment and services will be approved by the Chief Executive Officer or delegate.

Statements for Council-owned accounts to support communication services shall be provided for regular individual review. Councillors shall be given the opportunity of reimbursing Council for any portion which may be regarded as non-Council business related.

Councillors making claims in respect of privately-owned accounts for communication services shall be given the opportunity of seeking reimbursement of up to 75 per cent of costs outlined in statements.

Councillors may also request the transfer to Council of their privately owned mobile phone number. Approval will be given if there are no transfer costs or pre-existing contract arrangements imposed on the Council.

The issued items remain the property of Council and must be returned at the end of the Council term.

### **3.3.2. Mail**

When communicating with constituents, Councillors are encouraged to use electronic formats. Where postage services are required on Council business related matters, Councillors shall have access to postal services which will be arranged through Council officers.

Councillors will be given the opportunity of sending corporate Christmas/Festive Season cards. These shall be available in paper and electronic format. Interested Councillors are encouraged to use electronic format. For those Councillors who choose a paper based format, the cost of production and postage will be published as part of that Councillors quarterly expense report.

In recognition of the rich diversity of Melbourne's community, Councillors may send suitable cards to mark cultural occasions celebrated by particular communities. These are to be sourced by the Councillor and the subject of a claim for reimbursement. Costs associated with acquiring and posting cards shall be also published as part of the individual Councillor's quarterly expense report.



## **3.4. Functions external to the Town Hall**

### **3.4.1. Hospitality expenses incurred outside the Town Hall**

The Council provides internal hospitality services and Councillors are encouraged to use these services when conducting Council business.

However, it is recognised that Councillors may need to use external hospitality services when conducting Council business away from their office. These expenses shall generally relate to costs associated with the provision of meals, refreshments and other entertainment (for Councillors and their guests) considered appropriate to the nature of Council business being conducted. The claims may include gratuities included as part of an invoice for hospitality services. Although discretionary, Councillors should note that any gratuities provided for services should not be greater than 15 per cent of the invoice for services.

When making claims, Councillors should provide a broad description of the nature of Council business conducted.

## **3.5. Carer Expenses**

### **3.5.1. Expenses incurred in the provision of carer services**

The Council will reimburse the cost of necessary child care and carer expenses incurred by Councillors and members of delegated committees of Council who are not members of staff of Council, or councillors or members of staff of any other council (committee member) in the course of carrying out Council business.

#### *Child care costs*

Reimbursement of child care costs will be available for immediate family only, i.e. where the Councillor, committee member or their domestic partner is the primary care giver.

Child care costs are not eligible for reimbursement if paid to a person who normally or regularly lives with the Councillor or committee member, except where a live-in (professional) helper, such as a nanny, is required to work extra time at extra expense because of the duties of the Councillor or committee member.

The maximum hourly rate a Councillor or committee member will be reimbursed for child care expenses is \$46 per hour or as otherwise advised by the Chief Executive Officer or delegate.

#### *Carer costs*

Councillors and committee members who require carer or support services should raise the matter with the Chief Executive Officer or delegate who shall advise on possible arrangements including reimbursement processes. The arrangement and supporting process will be guided by the meaning of a care relationship as defined in section 4 of the *Carer's Recognition Act 2012*.

All claims shall be supported by receipts or approved documentation outlining type of care provided, date, time and reason.

## **4. Interstate and international travel**

### **4.1. Introduction**

As part of their duties, Councillors will be required to undertake interstate and international travel on behalf of Council. Representation of Council at national and international levels is an important part of developing, communicating and implementing Council policy and includes:

- Travel to investigate issues, projects or activities of relevance to actions contained in the Council Plan and other policies and programs including those relating to portfolio responsibilities.
- Attendance at conferences, workshops and forums as either a presenter or a delegate on topics relating to Council's policies, aims and projects or on areas of professional development for Councillors.
- Participation in Council led missions to destinations in support of Council's policy , *Melbourne - doing business globally*, or as part of an agreed program of activities or established alliances targeted at improving business, cultural, environmental and innovation exchange.

### **4.2. Authorisation and reporting framework**

#### **4.2.1. Proposal to travel by Councillors**

All proposals relating to interstate and international travel by Councillors (with the exception of interstate travel by the Lord Mayor) requires the approval of the Future Melbourne Committee or Council. Such proposals should be presented in a report by the Lord Mayor, Deputy Lord Mayor, Councillor, relevant General Manager or Director. Management will present proposals which they identify as underpinning or supporting Council's framework guiding international connections, *Melbourne - doing business globally*, or other key programs. Such proposals may be suggested by a Councillor/s for management consideration. Other proposals must be submitted by a Councillor/s as General Business at a Future Melbourne Committee or Council meeting.

Proposals for travel shall be completed on the report template as approved by the Chief Executive Officer or delegate.

#### **4.2.2. Interstate travel by the Lord Mayor**

Interstate travel by the Lord Mayor does not require approval by Future Melbourne Committee or Council. Due to the nature and timing of commitments that require the Lord Mayor to represent the City at a national level, interstate travel proposals should be made to the Chief Executive Officer.

#### **4.2.3. Approval to travel in urgent circumstances**

In urgent circumstances, approval for a Councillor to travel may be required in advance of consideration of a travel proposal by the Future Melbourne Committee or Council. In this instance, approval for Deputy Lord Mayor and other Councillors must be sought direct from the Lord Mayor. For urgent international travel by the Lord Mayor, the approval of the Chief Executive Officer, Deputy Lord Mayor and Portfolio Chair Finance and Governance must be obtained. These circumstances will generally involve situations where an urgent travel requirement arises and a meeting of the Future Melbourne Committee or Council is not scheduled in advance of the proposed departure date.

#### **4.2.4. Post travel report**

A post travel report is required for all approved international travel undertaken by Councillors. The report should outline the outcomes and benefits of the travel, costs incurred and should be prepared within 60 days of return from travel and submitted for agenda listing at the next available meeting of Future Melbourne Committee or Council. If a period of greater than 60 days is required for the preparation of a report, an explanation for the delay should be included in the report once prepared. A post travel report for interstate travel is not required.

#### **4.2.5. Undertaking Council business while on private travel**

If a Councillor proposes to officially represent the Council while on private interstate or overseas travel, authorisation should be sought in line with approval processes and requirements outlined above. Approval to represent Council is required regardless of whether or not expenses will be incurred.

#### **4.2.6. Partner/companion travel**

The cost of a partner or companion accompanying a Councillor on a business trip must be borne by that person unless there is a bona fide business purpose to support their presence (i.e. to support the business or representational needs of the Council). Travel at the Council's expense by an accompanying spouse, partner or companion must be authorised and sought in line with approval processes outlined above.

If a partner or companion wishes to accompany a Councillor in a private capacity, such travel should not be booked through the Council's travel service provider. The Chief Executive Officer or delegate will consider requests which may require assistance for logistical reasons. Any costs incurred by the person accompanying the Councillor in a private capacity will not be funded by Council.

#### **4.2.7. Non-Council funded travel**

Offers of sponsored travel from international organisations, foreign governments, educational institutions and industry bodies should be considered provided that:

- The offer of travel is not made in exchange for, nor with an expectation of, the granting of favourable treatment.
- The acceptance of the offer does not give rise to an actual or perceived conflict of interest.

Care must be taken to ensure that there is no conflict of interest in such situations with Councillors being seen to use the status of their office to advance the interests of other organisations or interest groups.

Overseas or interstate visits in response to invitations from inter-governmental, official agencies, governments or private organisations (where all or part of the costs are to be met by the Council) are subject to this policy. Councillors should seek advice from Council officers before accepting any sponsored travel.

Travel at the expense of other parties should be in accordance with the standards of the sponsoring organisation. Supporting documentation should be provided confirming both external funding arrangements and appropriate authorisation by the host city or organisation for such travel by Councillors.

Councillors undertaking private travel arrangements in conjunction with Council approved and funded travel, must ensure that all costs incurred with private travel are clearly delineated from Council funded travel arrangements.

### **4.3. Travel arrangements**

When travelling, Councillors will need to maintain accurate documentation relating to expenses incurred. Completion of the Councillor Interstate and Overseas Travel Expense Statement following return from travel will satisfy Fringe Benefits Tax legislative requirements which apply when travelling in Australia or overseas for more than five successive nights. Pre-travel briefings will be provided to Councillors.

#### **4.3.1. Bookings and confirmation**

Travel and accommodation arrangements will generally not be made in anticipation of approval. However, it is recognised that in some circumstances, tentative arrangements may need to be made to secure the most cost effective airfare and accommodation options.

All travel and accommodation reservations should be booked through the Council's designated travel agent. Any alternative arrangements must be approved by the Chief Executive Officer or delegate and may include bookings direct with airlines, accommodation providers or through conference organisers.

#### **4.3.2. Duration of travel**

In order to minimise the cost of accommodation at Council expense, the duration of any travel should be kept to an appropriate level given the distance of travel anticipated. Sufficient time to recuperate from travel prior to undertaking the purpose of the visit should be considered.

#### **4.3.3. Insurance**

Councillors are covered by Workcover under the *Workplace Injury Rehabilitation and Compensation Act 2013*, both in Australia and overseas.

Councillors are also covered by Council's Personal Accident and Corporate Travel Insurance policy. This covers Councillors whilst engaged in any activity connected with or on behalf of the Council.

Non-business related travel and non-business related items are not covered by this policy.

Further information to assist Councillors is provided as part of pre-travel briefings.

#### **4.3.4. Passport and visas**

Councillors travelling overseas are responsible for ensuring that they have a current passport and obtain any required visas. Visa requirements will be specified by the Council's travel agent. Costs can be paid or reimbursed by the Council.

## **4.4. Travel expenses**

### **4.4.1. Fares**

Interstate and overseas fares including air and rail can be arranged in accordance with section 4.3 of the Policy.

#### *Air Travel*

The Lord Mayor (or Acting Lord Mayor) may travel business class. The Deputy Lord Mayor and other Councillors will normally travel economy class on domestic travel and business class when on international travel. In special circumstances, such as long distance travel, health, itinerary and workload reason, authorisation (at time of travel approval) to travel business class on interstate business can be given to the Deputy Lord Mayor and other Councillors. When travelling with the Lord Mayor and/or Chief Executive Officer, the Deputy Lord Mayor and other Councillors may travel at the same class. Unless otherwise approved, travel is to be by the most economical and direct route.

Carbon emissions resulting from air travel will be offset with the purchase of credits.

#### *Upgrades*

Upgrades in the class of service are permitted at the Councillor's expense.

#### *Rail Travel*

All rail bookings must be made through the Council's designated travel agent or directly with the transport provider. All Councillors may use first class travel.

### **4.4.2. Accommodation**

Accommodation in conjunction with official travel is to be arranged through the Council's designated travel agent or as outlined in section 4.3 of the Policy.

Councillors can stay in reasonable accommodation appropriate to the area travelled to and the nature of the visit. As a guide, four star accommodation is considered appropriate. Standard rooms will be used, except in special circumstances which may require the need for a suite. Councillors may accept room upgrades to suites or executive floor rooms if the upgrade is at no additional cost to the Council.

### **4.4.3. Sustenance and hospitality**

Councillors travelling on Council related business are entitled to reimbursement of costs associated with the provision of daily sustenance meals and refreshments provided at the place of accommodation or alternative venue.

Councillors shall also be entitled to claim reimbursement for reasonable hospitality expenses incurred in entertaining individuals and officials while conducting Council business.

Reasonable gratuities, commensurate with customs of the destination visited, shall be reimbursed.

### **4.4.4. Vehicle expenses**

Taxis or rideshare services can be used for purposes including travelling to and from airports and places of accommodation and official business.

For the purposes of reporting on travel and other directly attributable expenses, costs associated with transport to and from Melbourne airport/s shall be categorised as local travel.

The use of hire or rental vehicles is permitted where considered cost effective and practical.

Parking fines or driving offences are the responsibility of the vehicle driver. The driver is also responsible for obtaining an international driver's licence where required, the cost of which will be reimbursed.

#### **4.4.5. Incidental expenses**

The cost of incidental services including dry cleaning, laundry, fares and communication (including telephone and internet access) expenses will be reimbursed by Council. When using mobile devices whilst on international travel, Councillors should avoid excessive communication costs and are encouraged to use internet services provided through place of accommodation.

#### **4.4.6. Cash advances: assisting Councillors with daily travel expenses**

A cash advance may be offered to assist Councillors in meeting daily expenses which cannot be paid for by Council in advance of travel. This may include costs relating to accommodation, meals/sustenance, fares and other day-to-day incidentals. The amount to be provided will be guided by the per diem rates specified by the Australian Taxation Office plus an amount to cover accommodation and other fares which cannot be paid by Council in advance of travel. The amount to be provided for incidentals and accommodation shall be identified in the report seeking approval to travel.

#### **4.4.7. Reconciliation of travel expenses**

Councillors must reconcile cash advances and submit any claims for reimbursement within 60 days of return. Councillors will be required to complete a Councillor Interstate and Overseas Travel Expense Statement with claims supported by accounts and other receipts.

The exchange rate to be applied by Councillors when making claims and reconciling expenses shall be the rate identified by a banking institution or credit card company as being the closing rate on the day of departure for travel, or on the day of transaction, where a credit card is used.

#### **4.4.8. Unexpended amounts of cash advances**

Unexpended amounts of cash advances shall be returned to Council once a reconciliation of the cash advance and expenses incurred during the trip has been completed. This must occur within 60 days of return from travel. Written reminders shall be sent to Councillors who fail to comply. If a cash advance is not acquitted within a further 14 days following the issuing of a reminder, the Chief Executive Officer and Lord Mayor will be notified for further action.

All expenditure incurred with funds provided as part of cash advance shall be recorded against a Councillor as costs associated with interstate or international travel.

#### **4.4.9. Excess expenditure**

Reports submitted in relation to proposed travel will include the estimated costs of travel to be incurred by Council. It is acknowledged that fluctuations in airfare and accommodation prices may occur between time of submission of report and confirmed travel bookings.

A variance greater than 15 per cent between the estimated cost of an overseas travel as outlined in the approval by the Future Melbourne Committee or Council and the actual costs of travel must be identified in the post-travel report. A variance of \$600 or greater in respect of interstate travel must be the subject of a report to the Future Melbourne Committee or to Council.

The post travel report must include a statement outlining the reason for the variance, details of the additional expenditure and request approval in relation to the variance.

#### **4.4.10. Receipts**

Although receipts cannot always be obtained, every reasonable effort should be made to do so in order that claims for reimbursement can be assessed. A statutory declaration by a Councillor is required where receipts

have been misplaced or not issued. The maximum amount permitted to be covered by a statutory declaration is \$500 for interstate travel and \$800 for international travel.

#### **4.4.11. Business mission travel costs**

It is acknowledged that general costs will be incurred in preparation and delivery of a Council led international business mission. These are categorised as mission costs. For the purposes of travel expense reconciliation and reporting, individual costs directly attributable to a Councillor will be included in a post-travel report and the travel register which is described in further detail under section 4.5 of the Policy.

### **4.5. Travel expense reporting requirements**

The Local Government Regulations require the maintenance of a travel register containing details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months. The register must include names, the date, destination, purpose and total cost of the overseas or interstate travel. Council has also resolved that in addition to making the register available for inspection, it will also be published on Council's website. The register is published concurrently with the quarterly expense report. All published travel registers and expense reports remain available through the web site.

## **5. Management mechanisms and operational costs**

### **5.1. Management procedures**

Details of procedures relating to expenses and operating costs shall be maintained as part of management of Councillor expense procedures made available to the Offices of Lord Mayor, Deputy Lord Mayor and Councillors

#### **5.1.1. Methods of incurring expenses and operational costs**

The expenses and operating costs relating to the provision of services, facilities and resources will be processed and managed via one of the mechanisms outlined below.

##### *Council's purchasing system*

Completion through the Technology One system.

##### *Reimbursement claims*

Completion of a reimbursement claim form by a Councillor providing full details and original receipts or supporting documentation. Councillors should ensure that claims for reimbursement are submitted within 60 days of incurring an expense or following the completion of travel. Councillors must provide a written explanation if making a claim for an expense 60 days or longer after it was incurred (or after the completion of travel). Claims for expenses six months or older will not be reimbursed. Reimbursement claim forms and details of operating processes are available through support staff and on the Councillor portal.

##### *Corporate purchasing card*

The Lord Mayor shall be issued with a corporate purchasing card to assist with expenses incurred while conducting Council business. A monthly account will be provided to assist with reconciliation. For the purposes of the Policy, all authorised costs incurred on Council related business will be deemed as an expense claim.

##### *Authorisation levels*

The Chief Executive Officer shall stipulate authorisation levels and designate Council officers in respect of reimbursement and other expense transaction processes referred to in the Policy.

### **5.1.2. Monitoring mechanisms**

The Chief Executive Officer or delegate shall implement processes which will monitor the quantum of Councillor expenses and review transaction processes to ensure accurate allocation of costs.

Councillors will be provided with a quarterly report outlining expenses incurred in the directly attributable Councillor expense categories described in sections 3.1 to 3.5 to review and amend where necessary.

Monitoring processes will also include regular reporting to the Audit and Risk Committee,

## **5.2. Use of facilities**

### **5.2.1. General**

To assist in meeting the demands and expectations while conducting Council business, internal sustenance arrangements shall be offered to all Councillors. The arrangement will provide a reasonable level of meals and refreshments to support Councillors whilst conducting business at their office.

Non-Council business related functions organised by a Councillor must be paid for by the particular Councillor.

Use by external organisations or individuals of meeting, office and catering facilities and services (afforded to the Councillors) on matters not related to Council business is not permitted. Requests by community, charitable or non-profit organisations should be referred to the appropriate operational area for assessment against previously determined criteria. This includes requests by external organisations for single, occasional or on-going access to meeting facilities for the conduct of that organisation's business.

### **5.2.2. Office of Lord Mayor**

Due to the special role of the Lord Mayor, the office receives and extends a high volume of invitations for functions, luncheons, dinners and civic receptions. The purpose of these activities is to position the Council as the leading local government authority in the State, and a level of government accessible and responsive to its stakeholders. The budget allocation to the Office of Lord Mayor should enable its core activity of facilitating the political, economic, social and cultural advancement of the Council's strategies and policies.

Where the Lord Mayor is proposing to host a function with an estimated cost of over \$3000, the approval of the Chief Executive Officer or delegate should be sought. In seeking approval, the Lord Mayor shall specify the type and nature of function and how the function aims to promote the initiatives, strategies and policies of Council.

### **5.2.3. Office of Deputy Lord Mayor**

In meeting the demands and expectations placed on the office, the Deputy Lord Mayor will also be expected to host meetings and functions which will assist in positioning the Council and advancing the Council's strategies and policies.

Where the Deputy Lord Mayor is proposing to host a function with an estimated cost of over \$500, the approval of the Chief Executive Officer or delegate should be sought. In seeking approval, the Deputy Lord Mayor shall specify the type and nature of function and how the function aims to promote the initiatives, strategies and policies of Council.

### **5.2.4. Office of Councillors**

As a general operating principle, in circumstances where individual Councillors, in pursuing an issue or project, believe it is beneficial to arrange a function involving a large number of people, this should be arranged in consultation with the appropriate operational area. Such functions should be funded by the relevant area, therefore ensuring attribution of the cost to the project or issue. Where the cost cannot be



attributed to a project or issue and the matter relates to Council business, the function shall be funded by the office of Councillors.

Councillors proposing to host a function with an estimated cost of over \$500 should seek the approval of the Chief Executive Officer or delegate. In seeking approval, Councillors shall specify the type and nature of function and how the function aims to promote the initiatives, strategies and policies of Council.

Councillors shall participate in some of the functions organised by the Office of Lord Mayor or Deputy Lord Mayor. Invitations to all Councillors shall be extended for major functions such as civic receptions. Invitations to smaller scale functions shall be based on portfolio responsibilities and on the numbers appropriate to the function.

#### **5.2.5. Council car park**

Parking for Councillors is provided within the car park in the basement of Council House 1 and 2. Some provision for after hours parking by partners/family members of Councillors is also available by arrangement with the Town Hall Security Control Room.

Vouchers are available for car parking by partners and guests, when attending Council related events at the Town Hall or in the City. These vouchers are for use in nominated car parking facilities within the City.

### **5.3. Office accommodation and support staff**

The level of support staff and accommodation facilities shall be determined by the Chief Executive Officer in consultation with Councillors. In doing so, the Chief Executive Officer will acknowledge the responsibilities and greater level of commitments and expectations placed on the Lord Mayor and Deputy Lord Mayor.

A request to provide the partner of the Lord Mayor with access to support services and facilities should be made to the Chief Executive Officer or delegate for determination. Where appropriate, advice of agreed arrangements made shall be communicated to all Councillors.

### **5.4. Shared facilities and services**

Operating costs will be incurred in the provision of a number of shared services and facilities which will be offered to Councillors to assist in day-to-day activities. This will include hospitality provided in facilities designated for general use by Councillors and guests, those relating to meetings involving all Councillors and other costs associated with workshops and forums.

### **5.5. Gifts**

In fulfilling their civic and ceremonial roles and responsibilities, Councillors will meet local, national and international delegates and officials.

In circumstances where the exchange of gifts between the host and visitor is considered courteous and expected, associated costs are reimbursable when the gift is extended on behalf of Council. No reimbursement will be made for personal gifts. Where possible, gifts listed as part of Council's Corporate Gifts schedule should be used.

The provision of corporate gifts by Councillors shall be of a standard considered appropriate for the event.

## **5.6. Legal costs**

Legal costs incurred by Councillors will not be reimbursed without a formal decision of Council.

However, in the event that a Councillor Conduct Panel dismisses an application, the respondent Councillor is entitled to make a claim for reimbursement of up to \$10,000 in legal expenses, where no other avenue for claim is practicable. Councillors should note that the nature of Councillor Conduct Panels is an informal one and as such should consider participation without legal representation.

## **5.7. Tax requirements**

When making a claim, Councillors must supply invoices which are tax invoice compliant for Goods and Services Tax purposes. Councillors will also need to comply with Fringe Benefit Tax requirements and appropriate guidance is provided in those categories impacted by the requirements.

## **5.8. Review**

The Policy shall be subject of review and endorsement by Council at intervals of not less than once every two years.