



NAME OF POLICY: Elected Member Allowances & Benefits

POLICY MANUAL: Governance

BACKGROUND

Section 76 of the *Local Government Act 1999* (the Act), provides that a Member of a Council (Elected Member) is entitled to receive an annual allowance, determined by the Remuneration Tribunal, for performing and discharging official functions and duties.

Section 73 (3) of the Act also states that the Remuneration Tribunal must, in making a determination under this Section, have regard to the following:

- (a) *the role of members of council as members of the council's governing body and as representatives of their area;*
- (b) *the size, population and revenue of the council, and any relevant economic, social, demographic and regional factors in the council area;*
- (c) *the fact that an allowance under this Section is not intended to amount to a salary for a member;*
- (d) *the fact that an allowance under this Section should reflect the nature of a member's office;*
- (e) *the provisions of this Act providing for the reimbursement of expenses of members.*

In addition to the Allowance which is paid to Elected Members, Sections 77 and 78 of the Act provide that an Elected Member may be reimbursed for expenses (as prescribed), incurred in performing or discharging official functions and duties and the Council may also determine to provide facilities and other forms of support to Elected Members of the City of Norwood Payneham & St Peters to assist Elected Members in performing or discharging official functions and duties.

This Policy sets out the framework associated with Elected Members Allowances, benefits and support the Council provides to Elected Members to assist Elected Members to undertake their official functions and duties.

Section 78 (3) of the Act sets out that an Elected Member *must not use a facility or service provided by the council under this Section for a purpose unrelated to the performance or discharge of official functions or duties (unless the use has been approved by the council and the member has agreed to reimburse the council for any additional costs or expenses associated with this use).*

KEY PRINCIPLES

The City of Norwood Payneham & St Peters is committed to providing Elected Members with support and assistance to ensure they are adequately equipped to perform their role and recognises that Elected Members should not be out-of-pocket as a result of performing or discharging their official Council functions and duties.

All facilities, services and support which is provided to Elected Members, other than those provided specifically to the Office of the Mayor, will be provided to all Elected Members equally.

The Council is accountable to the community in terms of the use of public money and therefore Elected Member allowances, the reimbursement of expenses and the provision of benefits, facilities and support by the Council provided to Elected Members will comply with the *Local Government Act 1999* and *Local Government (Members Allowances and Benefits) Regulations 2010*.

Any reimbursements or support requested by Elected Members that does not fall within the provisions of this Policy, will be referred to the Council for consideration and decision.

SCOPE & RESPONSIBILITIES

This Policy applies to all Elected Members who have an obligation to abide by this Policy.

The Council's Chief Executive Officer has the duty to implement and monitor expense reimbursement procedures in accordance with the Act, the Regulations and this Policy (and any associated procedure). In addition, the Chief Executive Officer has a duty to maintain the *Register of Elected Member Allowances and Benefits*.

POLICY

Elected Members Allowance

An Elected Member's Allowance is remuneration which is paid to an Elected Member and is considered assessable income which must be declared as part of the Elected Member's income tax return. The Allowance does not constitute "salary and wages" and is therefore excluded from the PYAG provisions of the *Income Tax Assessment Act 1936*.

Elected Member allowances are determined by the Remuneration Tribunal on a four (4) yearly basis before the designated day in relation to each set of periodic elections held under the *Local Government (Elections) Act 1999*.

An allowance determined by the Remuneration Tribunal takes effect from the conclusion of the relevant periodic election. Elected Member Allowances are adjusted on the first, second and third anniversaries of the relevant periodic elections to reflect changes in the Consumer Price Index ("CPI") under a scheme prescribed by the Regulations.

In accordance with Regulation 4 of the Regulations, (and for the purposes of Section 76 of the Act), an Elected Member allowance may be paid in instalments up to 3 months in advance or 3 months in arrears of each month in respect of which an instalment is payable.

The annual allowance for an Elected Member is determined according to the relevant Council group. There are six (6) Council Groups which are each explained within the determination of the Remuneration Tribunal. This Council is a member of Group 2.

The annual allowance for a Principal Member is equal to four (4) times the annual allowance for Elected Members.

The annual allowance for a Deputy Mayor or Deputy Chairperson or an Elected Member who is the Presiding Member of one or more prescribed committees, is equal to one and a quarter (1.25) times the annual allowances for Elected Members of the Council.

The Remuneration Tribunal defines a "*Prescribed Committee*" as a committee that endures, irrespective of whether the council has assigned any particular work for the committee to perform and assists the council or provides advice to the council in any of the following areas or any combination thereof:

- *Audit;*
- *Chief Executive Officer Performance Review;*
- *Corporate Services;*
- *Finance;*
- *Governance;*
- *Infrastructure and Works;*
- *Risk Management; or*
- *Strategic Planning and Development.*

The Council does not pay sitting fees to Elected Members who are members of Council committees.

The Elected Member Allowances are paid monthly in arrears directly into the Elected Member's bank account.

It is important to note that although the Regulations prescribe the amount to be paid to Elected Members, it is up to the individual Elected Member to determine if they wish to accept the full amount.

An Elected Member who holds office for only part of the term, is entitled to receive an allowance for the period in which the Elected Member held office. (Section 76(11) of the Act).

Elected Members will be paid their Allowance for the period until their term expires (ie at the conclusion of the election which is when the Electoral Commissioner of South Australia makes the final declaration of the results of the elections).

Reimbursement of Mandatory Expenses

Travel Expenses

Elected Members are entitled to receive reimbursement for travelling expenses actually and necessarily incurred by the Elected Member for travel within the Council area and associated with attendance at a "prescribed meeting" (Section 77(1)(a) of the Act).

A "prescribed meeting" is defined under the Regulations as a meeting of the Council or Council Committee, or an Informal Gathering, discussion, workshop, briefing, training course or similar activity, which is directly or closely related to the performance or discharge of the roles or duties of the member:

- Reimbursement for travel expenses is restricted to 'eligible journeys' (as defined in Regulation 3) provided the journey is by the shortest or most practicable route and to that part of the journey within the Council area i.e. any travelling outside the Council area in order to attend Council or Council Committee meetings is not reimbursable under Section 77(1)(a) of the Act.

Reimbursement for travel outside the Council area is referred to in "*Prescribed and Approved Reimbursements*" set out below.

- An 'eligible' journey means a journey (in either direction) between the principal place of residence, or a place of work, of an Elected Member and the place of a "prescribed meeting".
- Where an Elected Member travels by private motor vehicle, the rate of reimbursement is at a rate equal to the appropriate rate per kilometre (determined according to the engine capacity of the vehicle) prescribed for the purposes of calculating deductions for car expenses under Section 28.25 of the *Income Tax Assessment Act 1997* (Commonwealth).
- Travelling by taxi, bus or other means of public transport is reimbursed on the basis of expenses 'actually and necessarily incurred', but is still limited to 'eligible journeys' by the shortest or most practicable route and to the part of the journey that is within the Council area.

Childcare Expenses

Elected Members are entitled to reimbursement for child/dependant care expenses actually or necessarily incurred by the Elected Member as a consequence of the Elected Member's attendance at a prescribed meeting.

Child/dependant care is not reimbursed if the care is provided by a person who ordinarily resides with the Elected Member.

All requests for reimbursement for prescribed expenses (travel and child/dependant care), must be directed to the General Manager, Governance & Community Affairs, within six (6) months of the expense being incurred.

Prescribed and Approved Reimbursements

There are additional prescribed expenses which are incurred by Elected Members, that can be reimbursed by the Council that do not fall within the category of mandatory reimbursement as set out above.

Section 77(1)(b) of the Act provides that the Council (meaning the Council as the governing body) may approve the reimbursement of additional expenses which are incurred by Elected Members, (as set out in the Regulations), either on a case-by-case basis or under a policy adopted by the Council for the purposes of section 77(1) of the Act. This Policy therefore sets out the types of approved expenses that may be reimbursed.

These additional types of reimbursed expenses are distinguished from the payment of allowances and from the mandatory reimbursement of travel and child/dependant care expenses associated with attendances at a prescribed meeting.

Regulation 6 of the Regulations sets out the types of additional expenses that may be reimbursed under Section 77(1)(b) with the approval of the Council. These are:

- an expense incurred in the use of a telephone, facsimile or other telecommunications device, or in the use of a form of electronic communication, on the business of the Council;
- travelling expenses incurred by the Elected Member as a consequence of the Member's attendance at a function or activity on the business of the Council (other than for which the Elected Member is reimbursed under Section 77(1)(a) of the LG Act);
- travelling expenses incurred by the Elected Member in undertaking an eligible journey to the extent that those expenses are attributable to travel outside the area of the Council;
- expenses for the care of:
 - (i) a child of the Member; or
 - (ii) a dependant of the Member requiring full-time care;incurred by the Member as a consequence of the Member's attendance at a function or activity on the business of the Council (other than for which the Elected Member is reimbursed under Section 77(1)(a) of the LG Act); and
- expenses incurred by the Elected Member as a consequence of the Elected Member's attendance at a conference, seminar, training course or other similar activity which is directly or closely related to the performance or discharge of the roles and duties of an Elected Member (other than for which the Elected Member is reimbursed under Section 77(1)(a) of the Act).

For the purposes of this Policy and pursuant to Section 77(1)(b) of the Act, the Council approves the reimbursement of additional expenses of Elected Members as described below.

1. Travel

Pursuant to Section 77(1)(b) of the Act, the Council approves reimbursement of:

- travel related to attendance at a Council or Council Committee meeting being an "eligible journey" (as defined in Regulation 3), and as approved by the General Manager, Governance & Community Affairs;
- expenses incurred in travelling to a function or activity related to Council business. The following conditions apply to these expenses:
 - travel both within and outside the Council area must be incurred by the Elected Member as a consequence of attendance at a function or activity related to the business of Council. A 'function or activity related to the business of the Council' includes official Council functions including Mayoral/Chairperson receptions, opening ceremonies, dinners, citizenship ceremonies and official visits etc.; inspection of sites within the Council area which relate to Council or Committee agenda items; meetings of community groups and organizations as a Council representative – but does not include attendance at meetings of community groups or organisations when fulfilling the role as a member of the Board of any such community group or organisation;

- reimbursement will be restricted to the shortest or most practicable route;
- where an Elected Member travels by private motor vehicle, the rate of reimbursement will be at a rate equal to the appropriate rate per kilometre (determined according to the engine capacity of the vehicle) prescribed for the purposes of calculating deductions for car expenses under Section 28.25 of the *Income Tax Assessment Act 1997 (Commonwealth)*;
- car parking fees will be reimbursed (where such expenses a consequence of an Elected Member attending a function or activity on the business of the Council); and
- travel by taxi, bus, plane or other means of public transport will be reimbursed on the basis of being expenses where they are incurred as a consequence of the Elected Member's attendance at a function or activity on the business of the Council, however such travel must still be by the shortest or most practicable route.

2. Other Expenses

Pursuant to Section 77(1)(b) of the Act, the Council approves reimbursement of:

- expenses incurred by the Elected Member as a consequence of the Elected Member's attendance at a conference, seminar, training course or other similar activity that is directly or closely related to the performance or discharge of the roles or duties of the Elected Member (other than expenses for which the Member is reimbursed under section 77(1)(a) of the Act). Expenses will only be reimbursed for attendance at conferences, seminars, etc which have been approved by the Council or under delegation/policy, (eg *Elected Member Training & Development Policy*). Where attendance at a conference, seminar etc is approved, expenses incurred relating to airfares, registration fees, accommodation, meals, taxi fares and car parking will be reimbursed;
- expenses incurred relating to the use of a telephone for the business of the Council.

Facilities and Support

In addition to Elected Member Allowances and the reimbursement of expenses, Section 78 of the Act sets out that the Council can provide facilities and forms of support for Elected Members to assist them to perform or discharge their official functions and duties.

The Council must consider and specifically approve the particular facility and support as necessary or expedient to the performance or discharge of all Elected Members' official functions or duties. In approving the provision of facilities and support, Section 78 requires that any such services and facilities must be made available to all Elected Members, other than those facilities or support specifically provided to the Principal Member (Mayor), if any.

Pursuant to section 78 of the Act, the Council has considered and is satisfied that the following facilities and support are necessary or expedient for all Elected Members to assist them in performing or discharging their official functions and duties:

- electronic communication facilities (IPAD's), Internet access and E-mail.

In addition to the above, the Council will provide to the Principal Member (ie, Mayor and to any Acting Mayor appointed during the Mayor's absence) the following additional facilities and support to assist them in performing and discharging their official functions and duties:

- mobile telephone;
- office space
- provision of administrative support; and
- provision of media and communications support.

The provision of facilities and support are made available to the Mayor and Elected Members, in accordance with the Act, on the following basis:

- they are necessary or expedient for Elected Members to perform or discharge their official functions or duties;

- the facilities remain the property of the Council regardless of whether they are used off site or not; and
- the facilities are not to be used for a private purpose or any other purpose unrelated to official Council functions and duties, unless such usage has been specifically pre-approved by the Council and the Elected Member has agreed to reimburse the Council for any additional cost or expenses associated with that usage. The Council's *Elected Members Electronic Communications Policy* sets out the relevant requirements;
- Elected Members are responsible for any facilities provided to them for the duration of their term in office;
- all facilities must be returned to the Council at the end of each term in office, upon the office of a Member of a Council becoming vacant, or at the request of the Chief Executive Officer;
- if the facilities provided to the Elected Member are damaged or lost the Elected Member must advise either the Chief Executive Officer or the General Manager, Governance & Community Affairs.

The use of Council facilities, support and/or services by Elected Members for campaign or election purposes is not permitted under any circumstances on the basis it is not necessary or expedient to the performance or discharge of an Elected Member's official functions or duties in accordance with the Act. The use of such facilities for electoral purposes during the election period would be a breach of section 78(3) of the Act. The Council's *Local Government Elections Caretaker Policy & Guidelines*, sets out the relevant requirements.

Other Reimbursements

Any additional reimbursements and facilities and support which are not detailed in this Policy will require the specific approval of Council prior to any reimbursements being paid, benefits being received and facilities and/or support being provided.

Benefits

1. Business Cards

Elected Members will be provided with business cards in the standard approved format.

2. Name Badge

Elected Members will be provided with a name badge in the standard approved format.

3. Meals

Elected Members and staff attending a Council Meeting, Council Assessment Panel Meeting, Business & Economic Development Committee and the Norwood Parade Precinct Committee will be provided with a meal prior to the meeting.

Council staff will facilitate the arrangements associated with the provision of the meal. Elected Members are not able to arrange their own meal and then seek reimbursement for the costs associated with the meal.

Meals will not be provided to Elected Members or staff attending an Informal Gathering.

The costs associated with any food and beverages purchased by Elected Members at non-official or authorised meetings with other parties are to be met by the Elected Member and will not be reimbursed by the Council.

4. Norwood Football Club Tickets

The Council owns the Norwood Oval and has leased the Oval to the Norwood Football Club. As part of these arrangements, Elected Members are invited to attend home games of the Norwood Football Club as guests of the Council. The Council's *Norwood Oval Football Passes Policy* sets out the relevant arrangements.

5. Council Events

The Council hosts a range of events including civic functions, launches, community events, etc. Elected Members are invited to attend all Council events and in some cases, the Elected Member's partner or guest of the Elected Member may be invited to attend depending on the nature of the event.

When the partner and/or guest of the Elected Member is invited to attend, the invitation will be directed to both the Elected Member and their partner/guest.

6. Parking

On-street car parking is provided to Elected Members when attending the Norwood Townhall for official Council business (ie Council and Committee meetings, meetings with staff, Council events, etc) on George Street in the area adjacent to the Norwood Concert Hall, subject to availability.

7. Counselling & Support

Where Elected Members require support in managing Council related or personal matters that may impact on their capacity to perform their roles, functions and duties, the Elected Member may be provided with access to counselling and support services, subject to the approval of the Chief Executive Officer and/or the General Manager, Governance & Community Affairs.

8. Legal Advice

The Council recognises that there are occasions when an Elected Member requires legal advice related to their role. The Council's *Elected Member Access to Legal Advice Policy* incorporates the process when Elected Members require legal advice.

Register of Allowances & Benefits

Pursuant to Section 79(1) and (2) of the Act, the Chief Executive Officer must maintain a Register in which he or she shall ensure that a record is kept of -

- the annual allowance payable to each Elected Member; and
- any expenses reimbursed under Section 77(1)(b) of the Act; and
- other benefits paid or provided for the benefit of the Elected Member by the Council;

on a quarterly basis in accordance with Regulation 7 of the Regulations.

The Chief Executive Officer is required to record in the Register, any changes in the Allowance or a benefit payable to, or provided for the benefit of, Elected Members. Accordingly, the Chief Executive Officer will ensure the Register is updated quarterly.

The *Register of Allowances & Benefits* is available for inspection by members of the public, free of charge, at the Norwood Town Hall during ordinary business hours.

REVIEW PROCESS

The Council will review this Policy within twelve (12) months of the next Local Government General Elections to be conducted in November 2022.

The Council does, however, have the ability to review this Policy and to amend or repeal and to replace it at any time.

INFORMATION

The contact officer for further information at the City of Norwood Payneham & St Peters is the Council's General Manager, Governance & Community Affairs, telephone 8366 4549.

ADOPTION OF THE POLICY

This Policy was adopted by the Audit Committee on 26 October 2020.

This Policy was adopted by the Council on 7 December 2020.

TO BE REVIEWED

2023.