

# Councillor Expenses and Facilities

August 2018

# Table of Contents

<b>Part A</b>	<b>Maximum Limits of expenditure</b> .....	<b>1</b>
<b>Part B</b>	<b>Preliminary</b> .....	<b>5</b>
1	Purpose.....	5
2	Principles.....	5
3	Scope.....	5
4	Private or political benefit .....	5
<b>Part C</b>	<b>Expenses paid to the Lord Mayor and Councillors</b> .....	<b>6</b>
5	Official Business.....	6
6	Professional Development.....	6
7	Australian Institute of Company Directors course .....	7
8	Travel and accommodation within Australia.....	7
9	Travel and accommodation overseas .....	7
10	Attendance at the Local Government NSW Annual Conference or the National General Assembly .....	8
11	Meals and refreshments for Council meetings.....	8
12	Special requirements and carer expenses.....	8
13	Information and communications technology (ICT) device and equipment expenses .....	9
14	Expenses not paid by CN .....	9
<b>Part D</b>	<b>Provision of facilities to the Lord Mayor and Councillors</b> .....	<b>9</b>
15	Facilities and provision - Council Chamber and City Administration Centre .....	9
16	Office supplies and facilities .....	9
17	Additional facilities, support and expenses for the Lord Mayor .....	10
18	Return of equipment and facilities .....	10
19	CN programs.....	10
20	Gifts.....	11
<b>Part E</b>	<b>Approval of payment and reimbursements to the Lord Mayor and Councillors</b> .....	<b>11</b>
21	Assessment and approval of claims and reimbursements .....	11
22	Process for payments made directly by CN .....	11
23	Process for advance payments .....	11
24	Process for reimbursement .....	12
25	Lord Mayor's corporate credit card .....	12
26	Reimbursement to Council .....	12
<b>Part F</b>	<b>Insurance and legal expenses</b> .....	<b>13</b>
27	Insurances.....	13
28	Legal assistance.....	13

<b>Part G</b>	<b>Miscellaneous</b> .....	<b>14</b>
29	Dispute.....	14
<b>Part H</b>	<b>Reporting</b> .....	<b>14</b>
30	Annual report.....	14
31	Auditing.....	14
32	Breaches.....	14
	<b>Annexure A - Definitions</b> .....	<b>15</b>
	<b>Annexure B - Policy Authorisations</b> .....	<b>16</b>
	<b>Document Control</b> .....	<b>17</b>

## Part A Maximum Limits of expenditure

### Table of Expenses

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
1.	<b>Official Business</b>	<p>1. Tickets to attend events and functions connected to the civic role of the Lord Mayor or Councillor or events providing the opportunity for Councillors to keep up to date with contemporary issues facing CN, the community, and local government in NSW.</p> <p>2. Travel and accommodation expenses incurred in connection with attending Official Business, including:</p> <ul style="list-style-type: none"> <li>▪ Flights</li> <li>▪ Public transport fares</li> <li>▪ Use of a private vehicle or hire car</li> <li>▪ Taxi fare or equivalent (such as Uber)</li> <li>▪ Parking</li> <li>▪ Tolls</li> <li>▪ Overnight accommodation</li> <li>▪ The reasonable cost of meals not provided as part of the registration fee.</li> </ul>	<p>\$2,000 per Councillor \$2,000 for the Lord Mayor (in addition to Councillor Limit)</p> <p>Note: Maximum limits do not apply to overseas travel. Cost of overseas travel will be paid in accordance with a resolution of Council.</p>	Per Year

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
2.	<b>Professional Development</b>	<p>1. Cost of attendance at training programs and courses that will help the Lord Mayor and Councillors to acquire and maintain the knowledge and skills necessary to perform their roles.</p> <p>2. Professional memberships</p> <p>3. Travel and accommodation expenses incurred in attending Professional Development, including:</p> <ul style="list-style-type: none"> <li>▪ Flights</li> <li>▪ Public transport fares</li> <li>▪ Use of a private vehicle or hire car</li> <li>▪ Taxi fare or equivalent (such as Uber)</li> <li>▪ Parking</li> <li>▪ Tolls</li> <li>▪ Overnight accommodation</li> </ul> <p>The reasonable cost of meals not provided as part of the registration fee.</p>	\$5,000 per Councillor	Per Year
3.	<b>Australian Institute of Company Directors course (or equivalent type learning opportunity)</b>	Cost of enrolment in the Australian Institute of Company Directors Course ( <b>AICD</b> ) (or equivalent type learning opportunity).	\$4,000 per Councillor, in addition to the annual Professional Development allowance in the year the course is undertaken.	Per Term

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
4.	<b>Accompanying Person</b>	Ticket for an Accompanying Person where it is appropriate for an Accompanying Person to attend Official Business, such as: <ul style="list-style-type: none"> <li>▪ Australia Day award ceremonies</li> <li>▪ citizenship ceremonies</li> <li>▪ civic receptions</li> <li>▪ community functions held within or contributing to the local government area</li> <li>▪ charitable functions formally supported by CN.</li> </ul>	\$500 per Councillor  \$500 for the Lord Mayor (in addition to Councillor limit)	Per Year
5.	<b>Local Government NSW Conference/ National General Assembly</b>	<ol style="list-style-type: none"> <li>1. Registration fees</li> <li>2. Tickets to the official dinner for Councillor and Accompanying Person</li> <li>3. Travel and accommodation expenses incurred in attending:               <ul style="list-style-type: none"> <li>▪ Flights</li> <li>▪ Public transport fares</li> <li>▪ Use of a private vehicle or hire car</li> <li>▪ Taxi fare or equivalent (such as Uber)</li> <li>▪ Parking</li> <li>▪ Tolls</li> <li>▪ Overnight accommodation</li> </ul> </li> </ol> <p>The reasonable cost of meals not provided as part of the registration fee.</p>	\$20,000 maximum limit for Council's representation at both events (shared among the elected representatives)	Per Year

Item	Expense type	What City of Newcastle (CN) will pay for (where expenses incurred relate to the Lord Mayor and Councillors' civic function/role)	Maximum Limit	Frequency
6.	<b>Information and communications technology (ICT) devices, equipment and expenses</b>	Issue of: <ul style="list-style-type: none"> <li>▪ Mobile phones</li> <li>▪ Mobile computing device (such as a tablet or iPad)</li> <li>▪ Printer (on request).</li> </ul> Payment of: <ul style="list-style-type: none"> <li>▪ Mobile phone call costs</li> <li>▪ Data package</li> <li>▪ IT support.</li> </ul>	\$4,000 per Councillor  \$3,000 per Councillor	Per Term  Per Year
7.	<b>Stationery and office supplies</b>	On request, issue of: <ul style="list-style-type: none"> <li>▪ Stationery and office supplies</li> <li>▪ Postage costs</li> <li>▪ Newspapers / digital subscriptions</li> <li>▪ Business cards</li> <li>▪ Name badge</li> <li>▪ Christmas cards.</li> </ul>	\$500 per Councillor	Per year
8.	<b>Carer expenses</b>	Reimbursement of carer's expenses to attend Official Business	\$6000 per Councillor	Per Year

**Notes:**

- A. CN may, by resolution, increase a Maximum Limit for a particular event in exceptional circumstances. Otherwise, expenses not explicitly addressed in this Policy will not be paid or reimbursed.
- B. All monetary amounts are exclusive of GST.
- C. A report summarising Councillor expenses will be presented to Council quarterly.

**Annual Fees**

Expenses and provisions of facilities to the Lord Mayor and Councillors are in addition to the payment of an annual fee which is paid in accordance with sections 248-251 of the Act. The annual fee is set based on determinations made by the Local Governance Remuneration Tribunal.

In accordance with the Australian Taxation Office Interpretative Decision 2007/205, Councillors may request to forego all or part of their annual fee in exchange for CN making contributions to a complying superannuation fund on their behalf.

## Part B Preliminary

### 1 Purpose

- 1.1 The purpose of this Policy is to ensure:
  - 1.1.1 the Lord Mayor and Councillors are provided with appropriate and reasonable expenses and facilities to enable them to carry out their civic functions;
  - 1.1.2 the Lord Mayor and Councillors are not financially disadvantaged in performing their roles;
  - 1.1.3 inclusiveness and diversity of representation on the Council;
  - 1.1.4 expenses and facilities provided to the Lord Mayor and Councillors are transparent and accountable;
  - 1.1.5 the provision of expenses and facilities to the Lord Mayor and Councillors is in line with community expectations; and
  - 1.1.6 CN complies with the Act and Regulation.

### 2 Principles

- 2.1 City of Newcastle (CN) commits itself to the following principles:
  - 2.1.1 **Proper conduct:** The Lord Mayor and Councillors must act lawfully and honestly, and exercise care and diligence in carrying out their functions in accordance with section 439 of the Act and CN's Code of Conduct.
  - 2.1.2 **Accountability and transparency:** Clearly stating and reporting on the expenses and facilities provided to the Lord Mayor and Councillors.
  - 2.1.3 **Reasonable expenses:** Providing for the Lord Mayor and Councillors to be reimbursed for expenses reasonably incurred as part of their role.
  - 2.1.4 **Sustainability:** Having regard to the environmental impact of travel by the Lord Mayor and Councillors.
  - 2.1.5 **Appropriate use of CN resources:** Providing clear direction on the appropriate use of CN resources in accordance with legal requirements and community expectations.

### 3 Scope

- 3.1 This Policy applies to the provision of facilities and payment of expenses to support Councillors in fulfilling their civic duties.

### 4 Private or political benefit

- 4.1 The Lord Mayor and Councillors must not obtain private or political benefit from any expense or facility provided under this Policy. Such conduct constitutes misuse of CN resources and may be a breach of CN's Code of Conduct.
- 4.2 CN acknowledges that private use of its equipment and facilities by the Lord Mayor and Councillors may occur from time to time. Incidental private use does not breach this Policy or CN's Code of Conduct.
- 4.3 The Lord Mayor and Councillors should avoid obtaining any greater benefit from CN than an incidental benefit. Where there are unavoidable circumstances and more substantial private use of CN equipment facilities does occur, the Lord Mayor and Councillors must reimburse CN in accordance with section 252(2) of the Act and clause 27 of this Policy.



- 4.4 Campaigns for re-election are considered to be a political benefit. The following are examples of what is considered to be a political benefit during a re-election campaign:
- 4.4.1 production of election material;
  - 4.4.2 postage costs of election material;
  - 4.4.3 use of CN resources and equipment for campaigning;
  - 4.4.4 use of official CN letterhead, publications, websites or services; and
  - 4.4.5 fundraising activities of political parties or individuals, including political fundraising events.

## **Part C Expenses paid to the Lord Mayor and Councillors**

### **5 Official Business**

- 5.1 CN will pay up to the Maximum Limit expenses incurred by the Lord Mayor and Councillors in attending Official Business in accordance with this Policy.
- 5.2 CN will also pay up to the Maximum Limit for the Lord Mayor and Councillors to attend conferences and seminars to keep up to date with contemporary issues facing CN, the community and local government in NSW.
- 5.3 Expenses of the Deputy Lord Mayor attending Official Business on behalf of Lord Mayor will be deducted from the Lord Mayor's limit.
- 5.4 Expenses for an Accompanying Person will be paid, up to the Maximum Limit, where it is considered appropriate an Accompanying Person attend Official Business.

### **6 Professional Development**

- 6.1 The Act requires Councillors to make reasonable efforts to acquire and maintain the skills necessary to perform the role of a Councillor. CN supports the training, education and ongoing Professional Development of the Lord Mayor and Councillors to ensure they develop and maintain the knowledge and skills required to undertake their roles and responsibilities effectively.
- 6.2 In the first year of Council's term, CN will provide a comprehensive induction program for the Lord Mayor and Councillors which takes into account any guidelines issued by the OLG. The cost of the induction program will be in addition to the individual's Professional Development funding.
- 6.3 CN will pay, up to the Maximum Limit, Professional Development expenses incurred by the Lord Mayor and Councillors provided approval is granted in accordance with clause 21 having regard to:
  - 6.3.1 the suitability and relevance of the Professional Development to current CN priorities and business, and the exercise of the Lord Mayor's or Councillor's civic duties;
  - 6.3.2 the benefit of the Professional Development to CN and the Lord Mayor or Councillor; and
  - 6.3.3 whether the Professional Development should be offered to all Councillors.
- 6.4 Annual membership of professional bodies will be reimbursed where:

- 6.4.1 the membership is relevant to the exercise of the Councillor's or Lord Mayor's civic duties;
- 6.4.2 the Councillor or Lord Mayor actively participates in the body; and
- 6.4.3 the cost of membership is likely to be fully offset by savings from attending events as a member.

## **7 Australian Institute of Company Directors course**

- 7.1 CN will pay expenses, up to the Maximum Limit, for the Lord Mayor and Councillors to complete the Australian Institute of Company Directors (AICD) course (or equivalent type learning opportunity).
- 7.2 The Lord Mayor and Councillors may only claim expenses for the AICD course within the first two years of their first Term as a Councillor.
- 7.3 The Lord Mayor and Councillors must seek upfront approval in accordance with clause 21 prior to enrolling in the AICD course. The Lord Mayor and Councillors are required to provide CN with evidence of successful completion of the course.
- 7.4 CN will seek reimbursement from the Lord Mayor or Councillor, in accordance with clause 26, if the Lord Mayor or Councillor does not successfully complete the course, at the determination of the CEO.

## **8 Travel and accommodation within Australia**

- 8.1 The Lord Mayor and Councillors will be reimbursed up to the Maximum Limit for travel associated with Official Business or Professional Development within Australia where attendance is relevant to their official functions/role as the Lord Mayor or Councillor.
- 8.2 All travel by the Lord Mayor and Councillors should be undertaken using the most direct route and the most practicable and economical mode of transport.
- 8.3 Allowances for the use of a private vehicle will be reimbursed by kilometre at the rate contained in the Local Government (State) Award. The Lord Mayor and Councillors seeking to be reimbursed for use of a private vehicle must keep a log book recording the date, distance and purpose of travel being claimed and provide a copy of it as part of their claim.
- 8.4 Actual expenses incurred for accommodation and meals (breakfast, lunch and dinner) not include in a registration fee will be paid for travel outside of the Newcastle area in accordance with the rates set out in the NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009 up to the Maximum Limit.
- 8.5 Accommodation standard is to be determined on best value and government rates should be utilised where possible. Generally the accommodation standard is to be equivalent of 4 stars.

## **9 Travel and accommodation overseas**

- 9.1 Official Business overseas may be approved by a resolution of Council where there are tangible benefits for CN and the local community. The Council should consider the value and need for the Lord Mayor and Councillors to undertake Official Business overseas when determining such approvals.
- 9.2 Each occasion of Official Business overseas must be approved in advance by a Council resolution with the Council resolution detailing:
  - 9.2.1 objectives to be achieved through the Official Business overseas, including an explanation of how the Official Business aligns with current CN priorities and business, the community benefits that will be accrued

as a result, and its relevance to the exercise of the Lord Mayor or Councillor's civic duties;

9.2.2 who is to take part in the Official Business overseas;

9.2.3 the duration and itinerary of the Official Business overseas;

9.2.4 a detailed budget including a statement of any amounts expected to be reimbursed by the Lord Mayor or Councillors themselves.

9.3 For Official Business overseas, the class of air travel is to be premium economy if available. Otherwise, the class of travel is to be economy.

9.4 Once approved by the Council, bookings for Official Business overseas will be undertaken by the CEO and Manager Legal.

9.5 For travel and accommodation expenses that are reimbursed as Official Business, the Lord Mayor and Councillors must not accrue points from any loyalty programs or programs that aim to reward users of their services/products. This includes frequent flyer, flybuys, velocity points, and everyday rewards. Accrual of points is considered a private benefit.

9.6 Subject to the approving resolution of Council, it is expected that within a reasonable period of returning from Official Business overseas, the Lord Mayor and/or Councillor submit a report to, or briefing to, the Council outlining the relevance of the trip to CN and the local community.

## **10 Attendance at the Local Government NSW Annual Conference or the National General Assembly**

10.1 CN will pay the following expenses, up to the Maximum Limit, for the Lord Mayor and Councillors nominated by the Council to attend the Local Government NSW Annual Conference or the National General Assembly:

10.1.1 travel and accommodation costs in accordance with this Policy;

10.1.2 registration for the delegate; and

10.1.3 tickets to the official dinner for the delegate and the delegate's Accompanying Person.

## **11 Meals and refreshments for Council meetings**

11.1 Appropriate refreshments will be available for the Lord Mayor and Councillors during Council meetings and workshops.

## **12 Special requirements and carer expenses**

12.1 CN encourages wide participation and interest in civic office and seeks to ensure that our premises and facilities are accessible, including making provisions for sight or hearing impaired Councillors and those with other disabilities.

12.2 The CEO may authorise the provision of reasonable additional facilities and expenses in order to enable the Lord Mayor or a Councillor with a disability perform their civic duties.

12.3 The Lord Mayor and Councillors who are the principal carer of a child or elderly, disabled and/or sick immediate family member will be entitled to reimbursement of carer's expenses up to the Maximum Limit where the Lord Mayor or Councillor is required to attend Official Business, plus reasonable travel from and to the principal place of residence.

- 12.4 Child carer expenses may be claimed for children up to and including the age of 16 years where the carer is not a relative.
- 12.5 CN will reimburse reasonable child care expenses up to the Maximum Limit less any Child Care rebates or benefits paid by the Federal Government.
- 12.6 In the event of caring for an adult person, the Lord Mayor and Councillors will need to provide suitable evidence with their claim that reimbursement is appropriate. This may take the form of advice from a medical practitioner.

## **13 Information and communications technology (ICT) device and equipment expenses**

- 13.1 CN will provide the Lord Mayor and Councillors (up to the Maximum Limit) with ICT devices and equipment as determined from time to time such as a mobile phone, tablet (iPad) and printer (where required).
- 13.2 CN will pay, up to the Maximum Limit, the following expenses associated with the maintenance and operation of ICT devices and equipment provided in accordance with this Policy:
  - 13.2.1 Mobile phone call costs;
  - 13.2.2 Data package;
  - 13.2.3 IT support; and
  - 13.2.4 Repairs or replacement.

## **14 Expenses not paid by CN**

- 14.1 CN will not pay any traffic or parking fines, or administrative charges for road toll accounts.
- 14.2 CN will not pay for or reimburse the Lord Mayor or a Councillor for any component of a ticket price that is additional to the actual cost of the service, such as a donation to a charity, political party or candidate's electoral fund.

## **Part D Provision of facilities to the Lord Mayor and Councillors**

### **15 Facilities and provision - Council Chamber and City Administration Centre**

- 15.1 CN will provide the following to the Lord Mayor and Councillors to assist them in effectively discharging their civic duty:
  - 15.1.1 access to meeting room facilities;
  - 15.1.2 access to technical resources including CN information, policies and relevant legislation; and
  - 15.1.3 three car parking spaces at CN's City Administration Centre to be shared among Councillors while attending CN offices on Official Business.

### **16 Office supplies and facilities**

- 16.1 CN will provide or make available, up to the Maximum Limit, office supplies and facilities.

## **17 Additional facilities, support and expenses for the Lord Mayor**

- 17.1 CN recognises the role of Lord Mayor and will provide, the following additional facilities:
- 17.1.1 a maintained vehicle to a similar standard of other CN vehicles and a fuel card for use to attend Official Business and Professional Development and attendance at the Lord Mayor's Office;
  - 17.1.2 a car parking space at CN's City Administration Centre;
  - 17.1.3 furnished office, with computer, printing and copying facilities, internet access;
  - 17.1.4 reasonable office refreshments such as tea, coffee and biscuits;
  - 17.1.5 daily newspapers / digital subscriptions;
  - 17.1.6 Lord Mayoral Chains of Office and robes for official, civic and ceremonial use;
  - 17.1.7 Lord Mayoral letterhead; and
  - 17.1.8 corporate credit card for the payment of expenses incurred in accordance with this Policy.
- 17.2 Staff for the Lord Mayor's Office as determined by the CEO in consultation with the Lord Mayor (consistent with the Instrument of Delegation to the Lord Mayor).
- 17.3 When deputising for the Lord Mayor, the Deputy Lord Mayor will be provided with reasonable access to and use of the facilities provided to the Lord Mayor under this Policy. Expenses incurred during this time related to the use of facilities will be deducted from the Lord Mayor's budget.

## **18 Return of equipment and facilities**

- 18.1 If the Lord Mayor or a Councillor ceases to hold office, the Lord Mayor or Councillor will return all CN equipment and facilities provided to them under this Policy to CN unless purchased by the Councillor for fair market value as determined by the CEO.
- 18.2 The prices for all equipment purchased by the Lord Mayor and Councillors under clause 18.1 will be recorded in CN's Annual Report.
- 18.3 Where the Lord Mayor or a Councillor does not return CN equipment and facilities to CN upon ceasing to hold office as a Lord Mayor or a Councillor, CN will invoice them for the costs of those items, based on fair market value as determined by the CEO.

## **19 CN programs**

- 19.1 CN will provide the Lord Mayor and Councillors with access to:
- 19.1.1 CN's Employee Assistance Program in accordance with CN's Employee Assistance Program guidelines.
  - 19.1.2 CN's Corporate Fitness Program in accordance with CN's Corporate Fitness Information Booklet.
  - 19.1.3 tickets to productions, exhibitions, or events presented, sponsored or hosted by CN (where these are made available to CN).

## **20 Gifts**

- 20.1 In circumstances where it is appropriate for the Lord Mayor or a Councillor to give a gift (such as when representing CN on Official Business), appropriate civic gifts of token value will be provided by CN.

## **Part E Approval of payment and reimbursements to the Lord Mayor and Councillors**

### **21 Assessment and approval of claims and reimbursements**

- 21.1 Claims for payment of an expense incurred by the Lord Mayor or a Councillor will be assessed in accordance with the relevant clauses of this Policy, by at least two of the following:
- 21.1.1 the CEO;
  - 21.1.2 the Director Governance;
  - 21.1.3 the Chief Financial Officer; or
  - 21.1.4 the Manager Legal.
- 21.2 Generally, approval for expenses should be obtained before the expense is incurred.
- 21.3 If a claim is approved, CN will make payment directly or reimburse the Lord Mayor or Councillor through accounts payable. In some cases, an advance cash payment may be offered to the Lord Mayor or Councillors to facilitate bookings.
- 21.4 If a claim is refused, CN will inform the Lord Mayor or Councillor in writing that the claim has been refused and the reasoning.

### **22 Process for payments made directly by CN**

- 22.1 If requested by the Lord Mayor or a Councillor, CN will pay, up to the Maximum Limit, directly for expenses incurred in accordance with this Policy.
- 22.2 Requests for direct payment must:
- 22.2.1 be submitted via the Online Councillor Expenses Claim form found on the Councillors' HUB; and
  - 22.2.2 provide sufficient information and time to allow assessment of the claim.
- 22.3 All claims for direct payment will be assessed in accordance with clause 21.

### **23 Process for advance payments**

- 23.1 If requested by the Lord Mayor or a Councillor, CN will provide an advance payment, up to the Maximum Limit, for expenses incurred in relation to approved Official Business and/or Professional Development.
- 23.2 Requests for advance payment must:
- 23.2.1 be submitted via the Online Councillor Expenses Claim form found on the Councillors' HUB; and
  - 23.2.2 provide sufficient information and time to allow assessment of the claim.
- 23.3 If the Lord Mayor or a Councillor receives an advance payment from CN, the Lord Mayor or Councillor must, within 10 days of the event, provide to CN:

- 23.3.1 a full reconciliation of all expenses including receipts; and
- 23.3.2 a reimbursement of any amount of the advance cash payment that was not spent in attending to Official Business and/or Professional Development.

23.4 All claims for advance payment will be assessed in accordance with clause 21.

## **24 Process for reimbursement**

24.1 Reimbursement claims must be lodged within 28 days of the expense being incurred. For example, generally claims for expenses incurred in January must be lodged by the end of February. The claim should:

- 24.1.1 be submitted via the Online Councillor Expenses Claim form found on the Councillors' HUB;
- 24.1.2 provide sufficient information to allow assessment of the claim; and
- 24.1.3 attach relevant tax invoices and receipts; or
- 24.1.4 if it is not possible to attach tax invoices and receipts, provide a statutory declaration explaining the calculation of the claim and why it should be paid

24.2 All claims for reimbursement will be assessed in accordance with clause 21. If a claim is lodged after the time period provided in clause 24.1, it may be refused.

## **25 Lord Mayor's corporate credit card**

25.1 The Lord Mayor is provided with a corporate credit card to pay for expenses incurred in accordance with this Policy up to the Maximum Limit.

25.2 Expenses relating to the Lord Mayor's Office and staff within the Office must be incurred in accordance with other relevant CN policies (including but not limited to CN's Procurement Policy).

## **26 Reimbursement to Council**

26.1 If CN has incurred an expense on behalf of the Lord Mayor or a Councillor that exceeds a Maximum Limit, exceeds reasonable incidental private use or is not provided for in this Policy:

- 26.1.1 CN will invoice the Lord Mayor or Councillor for the expense; and
- 26.1.2 the Lord Mayor or Councillor will reimburse CN for that expense within 14 days of the invoice date.

26.2 Invoices for actual costs incurred by the Lord Mayor or a Councillor for private benefits will be issued where actual costs can be ascertained (for example costs of private use of a mobile phone will be calculated based on the mobile phone account).

26.3 Invoices for private use of a CN motor vehicle will be calculated using the rate contained in the Local Government (State) Award.

## **Part F Insurance and legal expenses**

### **27 Insurances**

- 27.1 In accordance with section 382 of the Act, CN's insurances provide insurance cover for the Lord Mayor and each Councillor while attending Official Business and/or Professional Development.
- 27.2 Insurance protection is only provided if a claim arises out of or in connection with the Lord Mayor's or Councillor's performance of his or her civic duties, or exercise of his or her functions as Lord Mayor or a Councillor. All insurances are subject to any limitations or conditions set out in the respective insurance policies.
- 27.3 CN will pay the insurance policy excess in respect of any claim accepted by CN's insurers, whether defended or not.
- 27.4 Appropriate travel insurances will be provided for the Lord Mayor and Councillors travelling on approved interstate and overseas travel on Official Business.

### **28 Legal assistance**

- 28.1 CN may, if requested, indemnify or reimburse the reasonable legal expenses of:
  - 28.1.1 The Lord Mayor or a Councillor defending an action arising from the performance in good faith of a function under the Act provided that the outcome of the legal proceedings is favourable to the Lord Mayor or Councillor;
  - 28.1.2 The Lord Mayor or a Councillor defending an action in defamation, provided the statements complained of were made in good faith in the course of exercising a function under the Act and the outcome of the legal proceedings is favourable to the Lord Mayor or Councillor;
  - 28.1.3 The Lord Mayor or a Councillor for proceedings before an appropriate investigative or review body, provided the subject of the proceedings arises from the performance in good faith of a function under the Act, and the matter has proceeded past any initial assessment phase to a formal investigation or review and the investigative or review body makes a finding substantially favourable to the Lord Mayor or Councillor.
- 28.2 In the case of a Code of Conduct complaint made against the Lord Mayor or a Councillor, legal costs will only be made available where the matter has been referred by the CEO to a conduct reviewer, the conduct reviewer has commenced a formal investigation of the matter and makes a finding substantially favourable to the Lord Mayor or Councillor.
- 28.3 In the case of a pecuniary interest misbehaviour matter, legal costs will only be made available where a formal investigation has been commenced by the OLG and the OLG makes a finding substantially favourable to the Lord Mayor or Councillor.
- 28.4 Legal expenses incurred in relation to proceedings arising out of the performance by the Lord Mayor or a Councillor of his or her functions under the Act are distinguished from expenses incurred in relation to proceedings arising merely from something that the Lord Mayor or a Councillor has done during his or her term in office. For example, expenses arising from an investigation as to whether the Lord Mayor or a Councillor acted corruptly would not be covered by this section.
- 28.5 CN will not pay the Lord Mayor or a Councillor's legal expenses if:



- 28.5.1 the legal proceedings were initiated by the Lord Mayor or a Councillor under any circumstances;
  - 28.5.2 the Lord Mayor or a Councillor is seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation;
  - 28.5.3 the legal proceedings do not involve the Lord Mayor or a Councillor performing their role as Lord Mayor or Councillor.
- 28.6 Reimbursement of reasonable legal expenses must be approved in advance by a Council resolution.

## **Part G Miscellaneous**

### **29 Dispute**

- 29.1 If the Lord Mayor or Councillor disputes a determination under this Policy, the Councillor should discuss the matter with the CEO.
- 29.2 If the Lord Mayor or Councillor and the CEO cannot resolve the dispute, the Councillor may submit a Notice of Motion to Council seeking to have the dispute resolved.

## **Part H Reporting**

### **30 Annual report**

- 30.1 The CEO will include information on expenses and facilities provided under this Policy in CN's Annual Report in accordance with the Act and Regulation.

### **31 Auditing**

- 31.1 The operation of this Policy, including claims made under the Policy, will be included in CN's audit program and an audit undertaken every Term.

### **32 Breaches**

- 32.1 Suspected breaches of this Policy must be reported to the CEO.
- 32.2 Alleged breaches of this Policy will be dealt with in accordance with CN's Code of Conduct and CN's Procedures for the Administration of the Code of Conduct.

## Annexure A - Definitions

**Accompanying Person** means a spouse, partner, de-facto or other person who has a close personal relationship with, or provides carer support to a Councillor.

**Act** means the *Local Government Act 1993* (NSW).

**CEO** means Chief Executive Officer of the City of Newcastle and includes their delegate or authorised representative.

References to the Chief Executive Officer are references to the General Manager appointed under the *Local Government Act 1993* (NSW).

**City of Newcastle** means Newcastle City Council.

**CN** means City of Newcastle.

**Council** means the elected Council.

**Maximum Limit** means the maximum monetary amount CN has approved to pay to Councillors for facilities and expenses.

**Official Business** means events and functions connected to the civic role of the Lord Mayor or Councillor or events providing the opportunity for Councillors to keep up to date with contemporary issues facing CN and the community, and local government in NSW.

**OLG** means Office of Local Government.

**Professional Development** means training programs and courses/programs that will help the Lord Mayor and Councillors to acquire and maintain the knowledge and skills necessary to perform their roles.

**Regulation** means the *Local Government (General) Regulation 2005* (NSW).

**Term** means duration or period whereby an elected official holds their position in office. Local government terms are usually for a period of four (4) years unless otherwise determined by the Minister of Local Government.

**Year** means the 12 month period commencing on 1 July each year.

Unless stated otherwise, a reference to a section or clause is a reference to a section or clause of this Policy.

## Annexure B - Policy Authorisations

Function	Position Number / Title
Approve payment or reimbursement of expenses in accordance with this Policy	Any two of: <ul style="list-style-type: none"><li>• CEO</li><li>• Director Governance</li><li>• Chief Financial Officer</li><li>• Manager Legal</li></ul>

# Document Control

Policy title	Councillor Expenses and Facilities Policy
Policy owner	Legal
Policy expert/writer	Legal and Governance Officer
Prepared by	Legal
Approved by	Elected Council
Date approved	28/08/2018
Commencement Date	28/08/2018
Next revision date (date policy will be revised)	28 August 2021
Termination date	28 August 2022
Version	Eight
Category	Council
Keywords	Lord Mayor, Councillors, expenses, facilities, travel, professional development, communication
Details of previous versions	Version seven - ECM 4769769
Legislative amendments	NIL
Relevant strategic direction	Open and Collaborative Leadership
Relevant strategy	Open and Transparent Governance Strategy
Relevant legislation/codes (reference to specific sections)	<i>Local Government Act 1993</i> (NSW) - section 232, 252, 253, 254, 382, 439, 440 <i>Local Government (General) Regulation 2005</i> (NSW) - cl. 217, 403 CN's Code of Conduct
Related policies/documents	Office of Local Government - <a href="#">17-17 Councillor Expenses and Facilities Policy - Better Practice Template (27/06/2017)</a> Office of Local Government - <a href="#">Guidelines for the Payment of Expenses and the Provision of Facilities to Mayors and Councillors in NSW (October 2009)</a> - prepared under the provisions of section 23A of the Act Australian Taxation Office Interpretative Decision 2007/205 Local Government (State) Award NSW Crown Employees (Public Service Conditions of Employment) Reviewed Award 2009

	CN's Procedures for the Administration of the Code of Conduct Procurement Policy Corporate Fitness Information Booklet Employment Assistance Program Policy
Related forms	Online Councillor Expenses claim form
Required on website	Yes
Authorisations	Functions authorised under this policy at Annexure B