

COUNCILLOR EXPENDITURE POLICY

Report Author: Coordinator Governance & Integrity

Responsible Officer: Director Corporate Services

Ward(s) affected: (All Wards);

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

SUMMARY

The *Local Government Act 2020* (the Act) requires Council to adopt and maintain a policy governing the reimbursement of out-of-pocket expenses that have been reasonably incurred by a Councillor or a member of a delegated committee in the performance of their role, and which are reasonably necessary for them to perform that role.

The existing Councillor Expenditure Policy (the Policy) has been reviewed to align with the new Council term and to ensure the Policy reflects best practice governance.

RECOMMENDATION

That Council adopt the Yarra Ranges Council Councillor Expenditure Policy.

RELATED COUNCIL DECISIONS

At its meeting on 11 August 2020, Council adopted the current Councillor Expenditure Policy.

DISCUSSION

Section 41 of the *Local Government Act 2020* requires Council to adopt a Council Expenses (Expenditure) Policy in relation to the reimbursement of out-of-pocket expenses for Councillors and members of delegated committees.

The Policy is designed to support Councillors and members of delegated committees in fulfilling their responsibilities under the Act. It ensures that reasonable expenses incurred while performing their roles are reimbursed.

The policy review captured legislative changes and ensured processes reflected the principles the policy was designed to uphold. In addition, general formatting and language improvements were made throughout the document to enhance clarity, consistency, and ease of understanding.

The most significant amendment resulting from this review is the introduction of a new requirement for overseas travel by Councillors. Under the updated policy, any international travel must now be approved through a formal resolution of Council prior to the commencement of any travel planning or arrangements.

FINANCIAL ANALYSIS

Cost associated with reviewing the policy are covered in operational budgets.

APPLICABLE PLANS AND POLICIES

This report contributes to the following strategic objective in the Council Plan: High Performing Organisation. The updated Policy aligns with and supports Council's:

- Governance Rules
- Model Code of Conduct & Yarra Ranges Councillor Code of Conduct
- Public Transparency Policy
- Conflict of Interest Policy and Procedures
- Gifts, Benefits and Hospitality Policy
- Fraud Control Policy

RELEVANT LAW

- *Local Government Act 2020*
- *Local Government Amendment (Governance and Integrity) Act 2024.*

SUSTAINABILITY IMPLICATIONS

Economic Implications

The Policy promotes transparent and ethical decision-making, which can positively impact Council's financial management and resource allocation.

Social Implications

A robust Policy fosters public trust in local government and promotes positive relationships between Councillors and the community they serve.

Environmental Implications

While not directly related to environmental outcomes, the Policy emphasis on ethical behaviour and good governance can support environmentally responsible decision-making.

COMMUNITY ENGAGEMENT

No community engagement has been undertaken in the review of the Councillor Expenditure Policy.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

As part of a commitment to continuous improvement, the policy review involved benchmarking against Councillor Expenditure Policies from other Councils to identify opportunities for alignment with sector best practices.

RISK ASSESSMENT

Adopting the Policy mitigates several risks including reputational risk by demonstrating commitment to high ethical standards and governance risk through clear guidelines and decision-making processes.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

ATTACHMENTS TO THE REPORT

1. Yarra Ranges Council Councillor Expenditure Policy