

# Policy

<b>Policy Name</b>	<b><i>Allowances &amp; Reimbursements of Expenses</i></b>
<b>Policy/File Number</b>	<b>ED4.12.012</b>
<b>Review Frequency</b>	Every Three Years
<b>Attachments</b>	<i>Nil</i>

## 1. Purpose

The purpose of this policy is to:

- set out the legislative provisions in respect to Board Members allowances and expenses
- ensure that the payment of Board Members reimbursement of expenses is accountable and transparent, and in accordance with the *Local Government Act 1999* and the *Local Government (Members Allowances and Benefits) Regulations 2010*.
- specify the types of expenses that will be reimbursed without the prior approval of the Board every time a claim is made.
- provide guidance to the General Manager to ensure that allowances and the reimbursements of expenses is carried out in a consistent and fair manner in accordance with this Policy and the legislative provisions.
- explain the information that must be recorded within the Board's Register of Allowances and Benefits to ensure compliance with *Section 79 of the Local Government Act 1999*.

## 2. Scope

This policy applies to all Board Members, who have an obligation to abide by this policy and the General Manager who is responsible for implementing and monitoring expenses reimbursement procedures in accordance with the *Local Government Act 1999* and *Local Government (Members Allowances and Benefits) Regulations 2010*.

## 3. Policy Statement (Summary)

The Victor Harbor Horse Tram Authority is committed to ensuring that payment of Board Members and Audit Committee Members allowances and expenses are made in accordance with the legislative provisions

## 4. Legislation and Compliance

Pursuant to *Clause 2.12.2 of the Victor Harbor Horse Tram Authority* a Board Member is entitled to claim for any travelling and other expenses that are properly incurred in connection with the Authority's business and with the prior approval of the Board as recorded in minutes of a Board Meeting.

The *Local Government Act 1999* and *Local Government (Members Allowances and Benefits) Regulations 2013* prescribe that all members are entitled to receive reimbursement of expenses actually necessarily incurred in performing or discharging official functions and duties as follows:

:

- (a) travelling expenses actually and necessarily incurred by the member in travelling to or from a prescribed meeting if –
  - (i) the journey is an eligible journey; and
  - (ii) the journey is by the shortest or most practicable route
- (b) expenses for the care of –
  - (i) a child of the member; or
  - (ii) a dependant of the member requiring full-time care;

Additionally the act provides provisions for the Board to resolve, on a discretionary basis, to reimburse members for a range of additional expenses incurred in performing or discharging official functions and duties eg reimbursement for travel outside the Council area and/or to attend functions in addition to Board meetings.

These discretionary expenses can only be reimbursed with specific Board approval either by establishing a formal policy or alternatively by the Board approving each claim for reimbursement on a case by case basis by resolution.

## 5. Definitions

**Authority** means an Authority established by Council under Section 42 of the Local Government Act 1999.

**Audit Committee Member** means at any time a member of the Board appointed in accordance with Provision 3.1 of the Victor Harbor Horse Tram Authority Audit Committee Terms of Reference.

**Board Member** means at any time a member of the Board appointed in accordance with Subclause 2.9 of the Victor Harbor Horse Tram Authority Charter.

**CEO** means the Chief Executive Officer of the City of Victor Harbor

**Eligible Journey** means a journey (in either direction) between the principal place of residence, or a place of work, of a member of the Victor Harbor Horse Tram Authority and the place of a prescribed meeting.

**General Manager** means the General Manager of the Authority and includes a person acting in that position.

**Prescribed Meeting** means a meeting of the Authority or a committee of the Authority, 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.

**The Act** means the *Local Government Act 1999*

**The Regulations** means the *Local Government (Members Allowances and Benefits) Regulations 2010*

## 6. Policy Content

### 6.1 Allowances

Board Members receive a sitting fee as determined by the City of Victor Harbor, in accordance with the Guidelines for Agencies and Board Directors, published by the

department of Premier and Cabinet for Government Boards and Committees (or such publication as may succeed the Guidelines).

### 6.2 Reimbursement

To ensure Board Members of the authority, reimbursement of expenses properly incurred in performing or discharging official functions and duties are determined and approved by the Authority and set out this policy.

Prior to expenditure being undertaken, consideration must be given to any potential reimbursement restrictions such as budget allocation for travel, the production of relevant documentation and receipts or other required evidence of expenditure.

#### 6.2.1 Approved expenses

These may be, but are not limited to:

- 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 Authority.
- Travelling expenses incurred by the Board Member as a consequence of the Member's attendance at a function or activity on the business of the Authority.
- Expenses for the care incurred by the Board Member as a consequence of the Member's attendance at a function or activity on the business of the Authority for:
  - A child of the Board Member
  - A dependent of the Board Member requiring full-time care
- Expenses incurred by the Member as a consequence of attendance at an approved conference, seminar, training course or other similar activity which is directly related to the roles and duties of the Authority.

#### 6.2.2 Other Reimbursements

Any additional reimbursements, or facilities and support not detailed in this policy will require the specific approval of the Board of Management prior to any payments being made, benefits received, facilities and/or support being provided.

#### 6.2.3 Travel

Where other communication tools, such as teleconferencing and videoconferencing, are ineffective and there is a demonstrated business need for travel:

- Reimbursement will be restricted to the shortest or most practicable route
- Board Members should travel in groups wherever possible
- Travel by private motor vehicle will be reimbursed at the rate per kilometre prescribed for the purposes of calculating deductions for car expenses using the current year ATO cents per kilometre method.
- Car parking fees will be reimbursed upon the provision of receipts, and where they are a consequence of a Board Member attending a function or activity on the approved business of the Authority.

- 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 Member's attendance at a function or activity on the business of the authority, however such travel must still be by the shortest or most practicable route.

### 6.2.4 Air Travel

Necessity of air travel should only be considered where other communications tools such as teleconferencing and videoconferencing are unavailable. The Board must be satisfied that there is a demonstrated business need for the travel, and that prior approval has been provided in writing from the Authority. The Lowest Practical Fare Guide (Attachment A) must be used at all times when ascertaining airfares. Reimbursements will only be made at the rate of the Lowest Practical Fare regardless of the actual fare paid, unless a satisfactory reason can be provided in writing.

### 6.2.5 Child/Dependant Care (Section 77(1)(a) of the Act)

Expenses for the care incurred by the Member as a consequence of the Members attendance at a function or activity on the business of the Authority for a child of the member, or a dependent of the member requiring full-time care

## 6.3 Claims for Reimbursement

All claims for reimbursement must be submitted to the General Manager on the form/s provided for the purposes of maintaining the Register of Allowances and Benefits.

Claims for reimbursement may only be paid to all Board Members upon presentation of the form/s and adequate evidence (such as receipts) supporting the claims made.

## 6.4 Register of Allowances and Benefits

Pursuant to *Section 79(1) and (2) of the Act*, the General Manager must maintain a public Register of Allowances and Benefits where all records are kept and updated on a quarterly basis detailing:

- the annual allowance payable to a Board Member
- any expenses reimbursed under Section 77(1)(b) of the Act
- other benefits paid or provided for the benefit of the Member by the Authority.
- to make a record of the provision of a reimbursement or benefit not previously recorded in the Register.

Reimbursements paid under *Section 77(1)(a) of the Act* are not required to be recorded in the Register.

The General Manager is required to record in the Register, any changes in the allowances or a benefit payable to or provided for the benefit of Board Members. Accordingly, the General Manager will update the Register each quarter and therefore each Board Member is required to provide his or her claim form for reimbursement to the General Manager on the last business day of each quarter.

## 7. Risk Management

This policy meets the Authority's obligations under *Section 77(1)(b) Reimbursement of expenses and Section 79(1) Register of Allowances and Benefits* and ensures that Board Members are informed of entitlements for the reimbursement of expenses.

## 8. Implementation/Delegations

The General Manager of the Victor Harbor Horse Tram Authority is provided with the delegated authority to implement this policy.

## 9. Related Documents

Local Government Act 1999  
 Local Government (Members Allowances and Benefits) Regulations 2013  
 Victor Harbor Horse Tram Authority Charter

## 10. Availability of Policy

This policy and Register of Allowances and Benefits is available on Victor Harbor Horse Tram website at [www.horsedrawntram.com.au](http://www.horsedrawntram.com.au). It may also be inspected or purchased at the Principal Office of the City of Victor Harbor, 1 Bay Road, Victor Harbor.

### Document History

Version	Document	Action	Date
1.0	Approved version	Victor Harbor Horse Tram Authority endorsement VHHTA104	20/08/2019
1.1	Approved version	Victor Harbor Horse Tram Authority endorsement VHHTA243	08/06/2021