

### ITEM 6.1                      Councillor Expenses and Facilities Policy

**AUTHOR**                      Corporate

#### **PURPOSE AND BACKGROUND**

Council is required under Section 252 of the *NSW Local Government Act 1993*, to adopt a Policy for the payment of any expenses and provision of any facilities for the Mayor and Councillors.

By way background, Councillors would be aware that the recent Parliamentary Inquiry included an examination of matters concerning Council's existing Policy.

Pleasingly the inquiry and the Office of Local Government (OLG) found that Council's Policy accords with their applicable template/guideline regarding the matter as did our application of the policy to expenses and facilities.

Further, Council's Audit, Risk and Improvement Committee – as part of their audit program - has also:

- reviewed Council's Policy and concluded that it is largely consistent with the suggested policy template and guidelines issued by OLG and complies with regulatory requirements; and
- notwithstanding the above, the Committee has suggested council review the policy for any opportunity to strengthen the efficiency and effectiveness of the Policy.

#### **ISSUE**

Given the above, ideally, Council would wait for OLG to again review their guidelines on the matter before proposing any changes. That said, it is understood that their review is not a priority at present.

Notwithstanding this - and following discussions at the Audit, Risk and Improvement Committee – it was agreed that a review would be completed this calendar year by Council rather than await OLG's review.

On that basis, this report has been prepared, having regard to feedback provided by Councillors, following their consideration of the recent Briefing Note circulated regarding the matter.

#### **RECOMMENDATION** That -

1. In accordance with Section 252(4) of the *Local Government Act 1993*, Council, in principle, agree to the amendments proposed to Council's Councillor Expenses and Facilities Policy, as outlined in this report.

2. Council's proposed Councillor Expenses and Facilities Policy be placed on public exhibition in accordance with the requirements of the Local Government Act 1993.
3. Subsequently, a further report be submitted to Council at the conclusion of the public exhibition period, for Council's consideration.

## **ATTACHMENTS**

[Click here for attachment\(s\)](#)

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- A. Draft Councillor Expenses and Facilities Policy
- B. Councillor Expenses and Facilities Policy adopted by Council on 26 April 2022

## **POLICY IMPACT**

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Adoption of this Policy ensures Council abides by good governance practices and meets its legislative obligations.

## **FINANCIAL IMPACT**

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The draft Policy will not result in any significant change to the budget requirements. A budget allocation for Councillor expenses has been provided for in the 2022/23 and 2023/24 financial years.

## **COMMUNITY IMPACT**

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This report is seeking Council endorsement to place the draft Councillor Expenses and Facilities Policy on public exhibition, allowing members of the public to make submissions for the consideration of Council.

The adoption of these policies provides our community the assurance that relevant policies and practices are in place to ensure that Council meets its obligations under the *NSW Local Government Act 1993* and its Corporate Governance Framework.

## DETAILED INFORMATION

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### BACKGROUND

Despite recent comments raised in a Parliamentary Inquiry regarding matters concerning Council's existing Policy, in the main, the inquiry, OLG and Council's Audit, Risk and Improvement Committee have confirmed that Council's Policy, accords with the applicable template/guideline regarding the matter.

Nevertheless, a review of the Policy was carried out, having regard to clarity, consistency and strengthening the efficiency and effectiveness of the Policy – using OLG's suggested template as a guide.

Ordinarily, Council would not make changes to its Policy unless and/or until such time that OLG required all councils to reflect any updates and/or changes with regards to the matter.

That said, it was agreed in discussions at its recent Audit, Risk and Improvement Committee meeting that Council would review its Policy by the end of this calendar year.

### DRAFT POLICY

Having regard to the above – and feedback received from Councillors following its consideration of a recent Briefing Note distributed on the matter – Council's existing Policy has been modified in certain parts to streamline certain sections/clauses of the Policy and/or remove particular clauses not expressly written into the OLG template.

Notwithstanding, it is noted that the OLG model template provides the minimum standard requirements for Council's Facilities and Expenses policy and leaves decision making on limits and other matters up to each council to complete taking account of its local context and specific circumstances. It is recognised that the provisions in the OLG Policy template will not be appropriate for every council. Furthermore OLG suggest benchmarking against other councils is a good practice and guide in setting any policy.

The financial impact of the changes are immaterial.

### LOCAL GOVERNMENT ACT 1993

The legislative requirements concerning Council's Policy are governed by Section 252 and 253 of the *Local Government Act 1993* (the Act).

Indeed, Section 252(5) specifically requires that *"...a policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A."*

Importantly, both Council's current policy and Council's Draft Policy accords with the relevant provisions of Section 252 of the Act.

In progressing the amendment to Council's Policy (Section 253 of the Act), Council is required to:

- Give public notice of its intention to adopt or amend a policy for the payment of expenses or provision of facilities allowing at least 28 days for the making of public submissions;
- Consider any submissions made within the time allowed for submissions and make any appropriate changes to the draft policy or amendment, before adopting or amending the policy;
- Despite the above points, a Council need not give public notice of a proposed amendment to its policy for the payment of expenses or provision of facilities if the council is of the opinion that the proposed amendment is not substantial.

Whilst the amendments are minor from a financial perspective, they do depart from our current policy and as such – as a precaution – should be exhibited for the purposes of transparency and good governance.

#### **ADDITIONAL INFORMATION**

The report was considered by Council on 26 June 2023 when it was resolved that the matter be deferred for a Councillor Briefing. The Briefing was held on 18 July 2023 and the matter is now reported back to Council.