

## ALLOWANCES & REIMBURSEMENTS OF EXPENSES POLICY

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Related Documents	Charter
Applicable Legislation	ICAC Act 2012 Local Government Act 1999

### INTRODUCTION

The payment of Board and Committee Members sitting fees, reimbursement of expenses and the provision of any other benefits, will be accountable and transparent. This Policy will also specify the types of expenses that will be reimbursed without the need for specific approval every time a claim is made.

Board Members receive a sitting fee as determined by the Constituent Councils, 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 such Guidelines).

Clause 3.8.2 of the Charter states: All Board Members will receive from the Authority reimbursement of expenses properly incurred in performing or discharging official functions and duties as determined by the Authority and set out in a policy adopted by the Authority for the purposes of this clause.

Members of the Audit & Risk Management Committee receive a sitting fee in line with the Terms of Reference for the Committee. Clause 4.6 of the Terms of Reference states: Payment of sitting fees for Committee meetings will be paid as follows:

- Council Officer members of the Committee will not be paid a sitting fee;
- An Independent Authority Board Member who is also a member of the Committee will be paid a sitting fee in line with fees currently paid for attendance at prescribed meetings of the Authority Board;
- A Constituent Council Authority Board Member who is also a member of the Committee will not be paid a sitting fee in line with non-payment of sitting fees for meetings of the Authority Board; and
- The Independent Chairperson of the Committee will be paid a sitting fee in line with fees currently paid to the Independent Chairperson of the Board for attendance at prescribed meetings of the Authority Board.

In line with the reimbursement of travel expenses to independent Board Members, Independent Authority Board Members who are also members of the Committee, and the Independent Chairperson of the Committee are also reimbursed for travel expenses related to attendance at scheduled Committee meetings.

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### POLICY OBJECTIVE

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

**Note:** 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.

### DEFINITIONS

Eligible journey	Means a journey (in either direction) between the principal place of residence, or a place of work, of a member of the Authority, and the place of a prescribed meeting.
Prescribed meeting	In relation to a member of the Authority, 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.

### POLICY STATEMENT

This Policy is underpinned by the following principles:

- The accountability of the Board and Committee to its Constituent Councils and communities for the use of public monies
- Board and Committee Members should not be out-of-pocket as a result of performing and discharging their approved official functions and duties
- Reimbursement of any expenses not covered by this policy must first be approved by resolution of the Authority Board.

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

- In travelling **within the Council area** to or from a “prescribed meeting”; and
- For the care of a dependant or a child of the Council Member as a consequence of the Member’s attendance at a “prescribed meeting” (but not if the carer is a person who ordinarily resides with the Council Member).

The Act also makes provision 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 e.g. 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.

This Policy sets out the types of approved expenses that may be reimbursed. 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 FRAC Authority
- travelling expenses incurred by the Board or Committee Member as a consequence of the Member’s attendance at a function or activity on the business of the FRAC Authority.
- expenses for the care incurred by the Member as a consequence of the Member’s attendance at a function or activity on the business of the FRAC Authority for:

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- a child of the Member
- a dependent of the 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 FRAC Authority.

### Other Reimbursements

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

### Travel

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

- Reimbursement will be restricted to the shortest or most practicable route
- Board and Committee 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 or Committee Member attending a function or activity on the approved business of the FRAC 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 FRAC Authority, however such travel must still be by the shortest or most practicable route.

### Air Travel

Necessity of air travel should only be considered where other communications tools such as teleconferencing and videoconferencing are unavailable. The Board or Committee Member must be satisfied that there is a demonstrated business need for the travel, and that prior approval has been provided in writing from the FRAC 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.

## CLAIMS FOR REIMBURSEMENT

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

Claims for reimbursement may only be made for the current financial year and will not be backdated.

Reimbursement of expenses will only be paid to all Board or Committee Members upon presentation of the form/s and adequate evidence (such as receipts) supporting the claims made.

## REGISTER OF ALLOWANCES AND BENEFITS

Pursuant to section 79(1) and (2) of the Act, the Executive Officer must maintain a public *Register of Allowances and Benefits* where all records are kept and updated on a quarterly basis (see regulation 7 of the Regulations) detailing:

- the annual allowance payable to a Board Member (in the case of section 79 (1)(a))
- any expenses reimbursed under section 77(1)(b) of the Act (in the case of section 79(1)(b))
- other benefits paid or provided for the benefit of the Member by the Authority (in the case of section 79(1)(c))

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- to make a record of the provision of a reimbursement or benefit not previously recorded in the Register (in the case of section 79(2)(b))

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

The 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 Board or Committee Members. Accordingly, the Executive Officer will update the Register each quarter and therefore each Board or Committee Member is required to provide his or her claim form for reimbursement to the Executive Officer on the last business day of each quarter.

The Register of Allowances and Benefits is available for inspection by members of the public, free of charge, at the principal office. Copies or extracts of the Register are available for purchase from the Authority upon payment of a fixed fee.

### AVAILABILITY OF POLICY

This Policy will be available on the [Fleurieu Aquatic Centre Website](#).

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#### Document History

VERSION	DOCUMENT	ACTION	DATE
1.0	Approved version	FRAC Authority endorsement	29 April 2016
2.0	Revised version	FRAC Authority endorsement at meeting 18 May 2018	18 May 2018

### LOWEST PRACTICAL FARE GUIDE

This Guide sets out requirements for achieving value for money when selecting, booking and approving official domestic air travel. When undertaking official air travel, Board Members should select the lowest fare available at the time the travel is booked that suits practical business needs.

Staff and Board Members undertaking official travel must consider all costs, for example, an inexpensive flight that leaves early morning or late evening but requires overnight accommodation, or a lengthy wait in an airport between inexpensive flights, would not meet the Lowest Practical Fare criteria, as the overall cost (accommodation, taxi, meal and wasted time etc.) would usually have an overall higher total cost.

These Key Considerations can also be applied to other forms of transport, accommodation, meals or any other travel expenses to be paid for using public (ratepayer) funds.

### Key Considerations

**Value for Money:** Value for money is the overarching consideration when booking flights for domestic air travel. Value for money requires the use of public monies in an efficient, effective, economical and ethical manner.

Accordingly, when booking travel, decisions must be based on an impartial consideration of the fares available and not on a personal preference for a particular airline or aircraft type, access to airline lounges or accumulating airline reward and loyalty points (including status credits).

**Necessity of Travel:** Air travel should only be undertaken where other communication tools, such as teleconferencing and videoconferencing, are ineffective. In approving travel, the FRAC Authority should be satisfied that there is a demonstrated business need for the travel.

**Diligence:** This requires Board Members acting reasonably in scheduling meetings or other events for which travel is considered necessary (e.g. minimising unnecessary travel time).

### Applying the Lowest Practical Fare

Travel bookers should make two key decisions when selecting a fare for travel:

- **Fare class:** All air travel should be the lowest practical fare in economy class. Non-compliance to travel in that class must be documented and approved in each instance.
- **Fare type:** Where there is a high degree of certainty for required arrival or departure times, officials should assess all fares and consider restricted (non-refundable/non-changeable) fare types. Where there is a possibility that a scheduled meeting will not proceed, or there is uncertainty around the time that a scheduled meeting may conclude, officials should consider whether the additional cost of flexible fares outweighs the cost of possible change or cancellation fees or lost fares.

Travellers should compare fare classes and types across airlines servicing the particular route required. Each leg (outbound and inbound) should be considered separately.

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The table below will assist those booking travel to make the best choices within these guidelines:

	Issue	Explanation
1	Lowest fare	This is the cheapest available fare taking into account all flights that are within a 45 - 60-minute time window prior your 'ideal' booking time.
2	Timing, routing, connection or baggage charges	Where the fare selected is not the lowest fare available because it: <ul style="list-style-type: none"> <li>• is the most direct route</li> <li>• ensures connections for further flights are met satisfactorily</li> <li>• takes into account included baggage fees.</li> </ul>
3	Approval / Entitlement to travel at higher fare class (e.g. business class or premium economy)	All air travel should be at the lowest practical fare in economy class unless there is an approved business case for travel outside these guidelines.  In these circumstances, travellers are still required to obtain the lowest practical fare within the class.
4	Ability/health issues	Where health factors for travellers require certain facilities, including booking travel at a more expensive rate (e.g. more leg room required etc.), a medical certificate stating reasons should be provided to the approving financial delegate. <b>Members or staff</b> who are unwell should not travel.
5	Personal responsibilities	Unreasonable impact on personal responsibilities such as family and childcare.
6	Require flexibility to change booking	Where flexibility is required for air travel, travel bookers should consider selecting a semi-flexible fare type instead of a fully flexible fare.