

Management report to Council**Agenda item 6.3****Local Government Act 2020****Council****Presenter:** Keith Williamson, General Manager Governance and Organisational Development**28 July 2020****Purpose and background**

1. The *Local Government Act 2020* (LGA 2020) was assented to on 24 March 2020 and will commence in stages, being in full effect by 30 June 2021. The first two stages of the LGA 2020 commenced on 6 April and 1 May 2020.
2. The LGA 2020 will operate in conjunction with the Local Government Act 1989 (LGA 1989). As stages of the LGA 2020 commence, provisions in the LGA 1989 will be repealed.
3. This report is to implement the first raft of obligations on the Council required by the LGA 2020.

Key issues

4. The LGA 2020 requires that by 1 September 2020, the Council:
 - 4.1. Create a new set of delegations to officers and the delegated committees of Council.
 - 4.2. Adopt a Council expenses policy in respect to reimbursement of out of pocket expenses to Councillors and members of delegated committees of Council.
 - 4.3. If required, establish a Community Asset Committee.
 - 4.4. Establish the Audit and Risk Committee.
 - 4.5. Approve the charter for the Audit and Risk Committee under the LGA 2020.
 - 4.6. Adopt a Public Transparency Policy to give effect to public transparency principles in the LGA 2020, describe how Council information is to be made publicly available, specify which information must be publicly available under the LGA 2020 or any other Act and any matters prescribed by regulations under the LGA 2020.
 - 4.7. Adopt Governance Rules with respect to the conduct of meetings of the Council and its delegated committees, the form and availability of meeting records, the election period policy, procedures for the disclosure of conflicts of interest and any matters prescribed by regulations under the LGA 2020.
5. The Governance Rules and Public Transparency Policy are the subject of a community engagement process, the results of which will be the subject of a report to the 25 August 2020 meeting of Council. That report will also address the delegated committees of Council under the LGA 2020.
6. The LGA 2020 allows Council to delegate to the Chief Executive Officer, the power to incur expenditure beyond the approved budget. It is proposed this power be limited to \$2 million (excluding GST) in any instance to align with the current delegations policy. Once the new delegation is created, a suite of sub-delegations by the Chief Executive Officer to Council staff will be created under the LGA 2020, before the current delegation 360 to the Chief Executive Officer is revoked on 1 September 2020.

Recommendation from management

7. That Council:
 - 7.1. Dissolves the Legal Proceedings Committee.
 - 7.2. Revokes the redundant instruments of delegation by the Council to the position of Lord Mayor under the *City of Melbourne Act 2001* made by resolution of Council on 16 December 2004 and 16 December 2008.

- 7.3. By instrument of delegation sealed by the Council under section 11(1) of the Local Government Act 2020 (LGA 2020) delegates to the person from time to time holding the position of Chief Executive Officer, all of Council's powers, duties and functions under the LGA 2020 and any other Act including the powers to appoint an Acting Chief Executive Officer for a period not exceeding 28 days, enter into a contract for not more than \$2 million (exclusive of GST) and expend money not exceeding \$2 million (exclusive of GST) in any single instance, subject to:
- 7.3.1. the restrictions contained in sections 11(2) and 11(3) of the LGA 2020
 - 7.3.2. compliance with Council's General Delegations Policy.
- 7.4. By instrument of delegation sealed by the Council under section 118(1) of the *Road Management Act 2004* (RMA), delegates to the persons from time to time holding the positions referred to in column 1 of Attachment 2, Council's powers and functions as a road authority under the RMA identified in column 2 and 3 of Attachment 2, subject to:
- 7.4.1. the conditions and limitations identified in column 4 of Attachment 2
 - 7.4.2. the restrictions contained in section 118(1) of the RMA and section 11(2) of the LGA 2020
 - 7.4.3. compliance with Council's General Delegations Policy.
- 7.5. By instrument of delegation sealed by the Council under section 58A of the *Food Act 1984* (the Food Act) delegates to:
- 7.5.1. the person from time to time holding the position of Director Health and Wellbeing, Council's powers and discretions under Part III (other than its power under section 19(3), 19AA(4)(a) or 19AA(4)(b)), Part IIIB, Part VI and section 46(5) of the Food Act
 - 7.5.2. the persons from time to time holding the position of Team Leader – Health and Wellbeing, the power to issue orders under section 19(2) of the Food Act
 - 7.5.3. the persons from time to time holding the positions referred to in Attachment 3, its powers and discretions under Part III of the Food Act in relation to temporary food premises and mobile food premises,
- all subject to:
- 7.5.4. the restrictions contained in section 11(2) of the LGA 2020
 - 7.5.5. compliance with Council's General Delegations Policy.
- 7.6. By instrument of delegation sealed by the Council under section 53M(8) of the Environment Protection Act 1970 (EPA), delegates to the persons from time to time holding the positions referred to in Attachment 4, its powers under section 53M of the EPA in relation to septic tank systems subject to:
- 7.6.1. the restrictions contained in section 11(2) of the LGA 2020
 - 7.6.2. compliance with Council's General Delegations Policy.
- 7.7. Revokes instruments of delegation CCL-2019-1, CCL-2019-2 and CCL-2019-3, such revocation to take effect immediately after the execution of the instruments of delegation referred to in paragraphs 7.4 to 7.6 above.
- 7.8. With effect on 1 September 2020, revokes instrument of delegation 360 to the Chief Executive Officer and instrument of delegation 441 to the Chief Legal Counsel.
- 7.9. Pursuant to section 41 of the LGA 2020, adopts the Council expenses policy in respect to reimbursement of out of pocket expenses to Councillors and members of delegated committees of Council, identified in Attachment 5 (with the track changes to the existing policy identified in Attachment 5 accepted).
- 7.10. Revokes the policy in relation to the reimbursement of expenses for Councillors and members of Council committees, adopted by Council pursuant to section 75B of the *Local Government Act 1989*.

- 7.11. Pursuant to section 53 of the LGA 2020, establishes the Audit and Risk Committee comprising:
- 7.11.1. Geoff Harry (Chair)
 - 7.11.2. Deputy Lord Mayor, Arron Wood
 - 7.11.3. Councillor Le Liu
 - 7.11.4. Therese Ryan
 - 7.11.5. Stuart Hall.
- 7.12. Pursuant to section 54(1) of the LGA 2020, approves the charter for the Audit and Risk Committee identified in Attachment 6 (with the track changes to the existing charter identified in Attachment 6 accepted).
- 7.13. By instrument of authorisation sealed by the Council under section 188 of the *Planning and Environment Act 1987* authorise the officers listed at Attachment 7, to carry out the duties and functions and exercise the powers of an 'authorised officer' within the meaning of the *Planning and Environment Act 1987*.
- 7.14. Revokes the previous instruments of authorisation under section 188 of the *Planning and Environment Act 1987* made by resolution of Council on 28 February 2017, 31 July 2018, 30 October 2018 and 30 July 2019, such revocations to take effect immediately after the execution of the instrument of authorisation referred to in paragraph 7.13 above.

Attachments:

- 1. Supporting Attachment (Page 4 of 36)
- 2. Positions – delegation under the RM Act (Page 5 of 36)
- 3. Positions – delegation under the Food Act (Page 6 of 36)
- 4. Positions – delegation under the EPA (Page 7 of 36)
- 5. Proposed Council Expenses Policy (Page 8 of 36)
- 6. Proposed Charter for the Audit and Risk Committee (Page 28 of 36)
- 7. Positions – authorisation under the *Planning and Environment Act 1987* (Page 36 of 36)

Supporting Attachment

Legal

1. The report accurately identifies the relevant obligations of the Council under the LGA 2020. Further reports to Council will occur as the balance of the LGA 2020 comes into force.

Finance

2. No direct financial issues arise from the recommendation from management.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Health and Safety

4. No Occupational Health and Safety issues or opportunities have been identified.

Stakeholder consultation

5. The report is to implement initial requirements of the LGA 2020 and no stakeholder consultation is required under the LGA 2020 in respect to matters contained in the recommendation from management.

Environmental sustainability

6. The report is to implement administrative and process issues arising from the LGA 2020 and no environmental sustainability issues or opportunities arise from the report.

RMA

Column 1	Column 2	Column 3	Column 4
Positions	Provision	Powers and Functions Delegated	Conditions and Limitations
Director Planning and Building Director Infrastructure and Assets		The powers and functions of the Council pursuant to the RMA and any Regulations made under the RMA.	The delegation does not include the power of delegation pursuant to section 118(1) of the RMA.
Team Leader Infrastructure Development	Part 5 of the RMA	The powers to issue consents in relation to works on, in or under roads	
Construction Management Group Officers (Site Services)	Part 5 of the RMA	The powers to issue consents in relation to works on, in or under roads	
Municipal Building Surveyor	Part 5 of the RMA	The powers to issue consents in relation to works on, in or under roads	
Principal Engineer Infrastructure	Part 5 of the RMA	The powers to issue consents in relation to works on, in or under roads	
Senior Building Surveyor and Contract Manager	Part 5 of the RMA	The powers to issue consents in relation to works on, in or under roads	

Food Act

1. Team Leader – Health and Wellbeing
2. Senior Environmental Health Officer
3. Environmental Health Officer

EPA

1. Director Health and Wellbeing
2. Team Leader – Health and Wellbeing
3. Senior Environmental Health Officer
4. Environmental Health Officer



Councillor Expenses ~~and Resources Guidelines Policy~~ 2020

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Contents

Councillor Expenses and Resources Guidelines Policy 202017 Contents	1
1. Background and purpose	4
2. General principles	4
3. Policy statement on directly attributable Councillor expenses	5
3.1. Conferences, functions and training	5
3.1.1. Attending conferences and functions	5
3.1.2. Accompanying partners/guests	6
3.1.3. Presenter at a conference	6
3.1.4. Training courses and seminars	6
3.1.5. Memberships and subscriptions	6
3.2. Travel - local	6
3.2.1. Car parking fees and permits	6
3.2.2. Public transport	7
3.2.3. Use of taxis	7
3.2.4. Use of private vehicles	7
3.2.5. Tolls	7
3.2.6. Council fleet vehicles	7
3.2.7. Accommodation and Incidentals	8
3.3. Communication	8
3.3.1. Equipment and services	8
3.3.2. Mail	8
3.4. Functions external to the Town Hall	9
3.4.1. Hospitality expenses incurred outside the Town Hall	9
3.5. Carer Expenses	9
3.5.1. Expenses incurred in the provision of carer services	9
4. Interstate and international travel	11
4.1. Introduction	11
4.2. Authorisation and reporting framework	11
4.2.1. Proposal to travel by Lord Mayor, Deputy Lord Mayor and Councillors	11
4.2.2. Interstate travel by the Lord Mayor	11
4.2.3. Approval to travel in urgent circumstances	11
4.2.4. Post travel report	12
4.2.5. Undertaking Council business while on private travel	12
4.2.6. Partner/companion travel	12
4.2.7. Non-Council funded travel	12

4.3.	Travel arrangements	13
4.3.1.	Bookings and confirmation	13
4.3.2.	Duration of travel	13
4.3.3.	Insurance	13
4.3.4.	Passport and visas	13
4.4.	Travel expenses	14
4.4.1.	Fares	14
4.4.2.	Accommodation	14
4.4.3.	Sustenance and hospitality	14
4.4.4.	Vehicle expenses	14
4.4.5.	Incidental expenses	15
4.4.6.	Cash advances: assisting Councillors with daily travel expenses	15
4.4.7.	Reconciliation of travel expenses	15
4.4.8.	Unexpended amounts of cash advances	15
4.4.9.	Excess expenditure	15
4.4.10.	Receipts	15
4.4.11.	Business mission travel costs	16
4.5.	Travel expense reporting requirements	16
5.	Management mechanisms and operational costs	16
5.1.	Management procedures	16
5.1.1.	Methods of incurring expenses and operational costs	16
5.1.2.	Monitoring mechanisms	17
5.2.	Use of facilities	17
5.2.1.	General	17
5.2.2.	Office of Lord Mayor	17
5.2.3.	Office of Deputy Lord Mayor	17
5.2.4.	Office of Councillors	18
5.2.5.	Council car park	18
5.3.	Office accommodation and support staff	18
5.4.	Shared facilities and services	18
5.5.	Gifts	18
5.6.	Legal costs	20
5.7.	Tax requirements	20
5.8.	Review	20

1. Background and purpose

Significant demands and expectations are placed on the Lord Mayor, Deputy Lord Mayor and Councillors of the City of Melbourne (Councillors) in carrying out their civic and statutory functions. In carrying out their policy development, representation and communication roles, Councillors accept a range of roles and responsibilities in representing a capital city government, its community and stakeholders at a local, national and international level.

These Councillor Expenses and Resources Guidelines Policy (Policy) ~~have has~~ been developed to provide a broad overview of how the Council can provide assistance and support to the ~~Lord Mayor, Deputy Lord Mayor and~~ Councillors when conducting council business.

The allowance paid to Councillors is set by the Victorian State Government. The current allowance rates can be found on the City of Melbourne's website at www.melbourne.vic.gov.au. These Policy guidelines acknowledge the demands and expectations placed on the ~~Lord Mayor, Deputy Lord Mayor and~~ Councillors and where necessary provides that appropriate resourcing and facilities be offered to successfully fulfil this role.

Section ~~75B-41~~ of the *Local Government Act 1989-2020* provides that a Council must adopt and maintain a policy in relation to reimbursement of expenses of Councillors and members of Council-delegated committees of Council. This Policy covers Councillors as members of Council and as members of Council-delegated committees of Council.

Section 3.5 of the Policy in respect to reimbursement of out of pocket carer expenses, applies to members of delegated committees of Council who are not Councillors or members of staff or councillors of any other council. For non-councillor members of Council committees, the provision for reimbursement of out of pocket carer expenses (as outlined in section 3.5 of the Policy) shall apply. Where Council officers are members of delegated committees of Council, the provisions contained in the Employee Reimbursement of Expenses Guidelines shall apply.

The cost of allowances and reimbursed expenses paid to Councillors together with the costs of related services and resources are managed as part of Council's annual budget process.

2. General principles

The general principles underpinning the Guidelines Policy are as follows:

- The processes, facilities and services apply to the ~~Lord Mayor, Deputy Lord Mayor and, Councillors and Councillors and Lady Mayoress~~. Where there is a variation, it is specified in the relevant section.
- The services and facilities provided are for use while conducting Council related business. Some exceptions apply and where applicable are identified in the Guidelines Policy.
- Councillor expenses are those costs necessarily incurred by Councillors (out-of-pocket) or on behalf of Councillors for the purpose of Council business.
- When claiming out-of-pocket expenses, original receipts or supporting documentation must be provided to support claims. In some cases, original receipts will be returned following submission of a claim.
- Claims for facilities and expenses other than those included in this document should be referred to the Chief Executive Officer or delegate.
- Any costs incurred by a Councillor which are not covered specifically within the Guidelines Policy will not be met, unless the Councillor has received prior authorisation from the Council or, if delegated to do so, from the Chief Executive Officer.

- Costs associated with supporting Councillors are categorised in three areas, namely directly attributable costs, interstate and international travel costs and operational costs.
- Remuneration or fees offered to Councillors for participation in external activities in the capacity of Councillor should be paid to Council. This includes fees for presentations delivered at conferences and seminars. It also includes fees for positions on external boards, committees and organisations received by virtue of direct appointment by resolution of Council. In circumstances where fees are offered for positions gained through a separate election or selection process conducted by an external organisation, a Councillor may retain the fees.
- Separate reimbursement of out of pocket expenses to members of delegated committees of Council, is only not appropriate where the member is not a councillor or member of staff of this or any other council.

3. Policy statement on directly attributable Councillor expenses

As part of Council's commitment to open and transparent activities, details of expenses incurred by the ~~Lord Mayor, Deputy Lord Mayor and~~ Councillors are made public.

Sections 3.1 to 3.5 of the ~~Guidelines Policy~~ outline the directly attributable Councillor expense categories which form the basis of the quarterly report.

Reporting to Councillors

Councillors will be provided with quarterly reports on directly attributable Councillor expenses categories described in sections 3.1 to 3.5. These reports must be certified by Councillors prior to the publication of the quarterly report. Councillors will generally be provided 14 days to review a report and seek clarification where required.

Councillors shall be given an opportunity to reimburse Council for any expenditure incurred on non-Council related business. Where a Councillor chooses to reimburse Council, reimbursement should occur within 14 days of the quarterly expense report being published on the Council's website.

Publication

Details of Councillor expenses will be published on the Council website and made available to members of the public, on request, after publication. The published report will include a total cost in each category for the Lord Mayor, Deputy Lord Mayor and other Councillors. Publication on the website shall occur before the end of the month following each quarter. Expenses incurred as part of interstate and international travel on behalf of Council will be recorded in the travel register (see section 4.5). The travel register and Councillor expense reports are published concurrently.

3.1. Conferences, functions and training

Councillors shall have the opportunity of participating in a range of conferences, functions, training courses, seminars and similar activities. The type shall generally be of a one-off, occasional or short-term nature and be supported by a program, course material or invitation by organisers. Further details are outlined below.

3.1.1. Attending conferences and functions

Conferences and seminars are organised by local government related organisations, professional bodies and private sector providers on issues and events which impact on the role of Councillors and the city in general.

The purchase of Council tables at functions shall be considered as part of the process overseeing use of discretionary funds and requires Council or Future Melbourne Committee approval.

Requests for attendance at interstate or international conferences and events must be made in line with the interstate and international travel approval processes outlined in section 4.2.

3.1.2. Accompanying partners/guests

A partner or guest may accompany a Councillor to conferences, events and functions. Events and functions will generally involve luncheons and evening activities and be of a nature where other attendees will be accompanied by partners. In situations where a Councillor wishes to invite additional guests to a function or event, he or she may do so if a council business case can be demonstrated. A request for up to three guests (including a partner) will be considered.

3.1.3. Presenter at a conference

Councillors may receive invitations to speak at a conference in their capacity as a Councillor. In some cases, conference organisers may waive or cover registration fees for participation.

3.1.4. Training courses and seminars

The Council strongly supports the enhancement of skills required by Councillors to assist in carrying out their role. This includes participating in a range of one-off or short-term training courses, seminars and activities in a variety of areas of professional and personal development. These may be provided internally or by professional bodies, private organisations and educational institutions.

Councillors wishing to undertake any training courses offered outside Victoria need to seek travel approval in accordance with requirements set out in section 4 of the [Guidelines Policy](#).

Professional or personal development needs which require or involve on-going, longer-term support, guidance or mentoring should first be discussed with the Chief Executive Officer or delegate who will assist Councillors in line with an agreed framework and process. The Chief Executive Officer will inform all Councillors of implemented arrangements. These needs fall outside this category and do not form part of quarterly expense reports.

In the first year of a Council term, costs associated with all training and development needs are absorbed as part of an induction period budget and do not form part of quarterly expense reports.

3.1.5. Memberships and subscriptions

The Council will reimburse Councillors or directly pay membership and subscription fees to bodies and organisations whose activities are relevant to the role of Councillors, portfolio or capital city role of Council. In seeking membership or subscription, the Councillor will identify the link to Council business and how membership will assist in development or fulfilment of their role.

3.2. Travel - local

The following support is provided to assist Councillors with local travel costs when conducting Council business. Councillors are encouraged to consider the most environmentally friendly modes of transport and should take into account the circumstances of a particular situation including weather, time of day and distance.

3.2.1. Car parking fees and permits

On and off-street car parking fees may be reimbursed and claims should be accompanied by details stating the nature of Council business and date and time of activity.

Parking permits shall also be issued to Councillors and allow parking in City of Melbourne resident permit areas when conducting Council business.

3.2.2. Public transport

Councillors shall have access to a Council supplied Myki card to enable travel on trains, trams, buses and light rail journeys within and outside the municipality. Councillors with personal Myki cards can submit a claim for specific trips undertaken on Council business.

3.2.3. Use of taxis

Cabcharge Cards issued to all Councillors may be used for taxi services. Cabcharge Cards are to be used by the cardholder only and must not be provided to any other individual for use.

Councillors should retain information which will assist in the verification of nature of Council business, date, time and cost of transactions. To assist the process, transaction statements will be issued to Councillors. Councillors who incur taxis costs without use of a Cabcharge card can make a claim for reimbursement.

Councillors who use rideshare services while conducting Council related business will be reimbursed costs.

3.2.4. Use of private vehicles

Costs relating to use of a private vehicle based on the following allowance rates may be claimed:

- Motor vehicles: 60 cents per kilometre
- Motor cycles: 30 cents per kilometre
- Bicycles: 20 cents per kilometre

A record of private vehicle use must be maintained by the Councillor and shall contain details of Council business, date, destination and number of kilometres and any tolls.

3.2.5. Tolls

Councillors may incur tolls including those associated with the use of CityLink and EastLink while conducting Council business. Councillors may seek reimbursement of costs associated with tolls, including the use of day passes or those transactions incurred as part of existing personal e-tag accounts.

Council supplied e-tags ~~will be~~ provided for Council fleet vehicles ~~issued to the Lord Mayor and Deputy Lord Mayor.~~

3.2.6. Council fleet vehicles

To assist in meeting the demands and expectations placed on the Council's leadership team, access to ~~two~~ Council fleet vehicles ~~or a driver service~~ shall be ~~provided~~ offered for use by the Lord Mayor and Deputy Lord Mayor.

~~Where a Council vehicle is provided the type of vehicles provided to the Lord Mayor and Deputy Lord Mayor shall comply with the City of Melbourne Corporate Vehicle Fleet Policy. An allocated Council vehicle/s may also be used. The allocated vehicles are for use by the Lord Mayor, Deputy Lord Mayor and Lady Mayoress when attending Council related activities. The vehicles, without the services of a Council-funded driver, may also be used by the Lord Mayor, Deputy Lord Mayor and Lady Mayoress for private purposes.~~

When available, the vehicles ~~or and the services of a Council officer~~ may be used by other Councillors when representing the Lord Mayor or Deputy Lord Mayor at formal commitments and events.

In situations where senior dignitaries and officials are visiting Melbourne, the Lord Mayor may recommend to the Chief Executive Officer that the services of a driver and Council vehicle be offered to assist with transport to official engagements.

In some circumstances, it may be appropriate to use a ~~corporate car hire vehicle~~ driver service to transport a Councillor to a function of a formal and official nature. Approval of the Chief Executive Officer or delegate and Lord Mayor is required prior to booking such a vehicle.

The costs associated with provision of fleet vehicles or use of driver service will be recorded in quarterly Councillor expense reports.

As part of Council's commitment to encouraging use of environmentally friendly modes of transport, Councillors shall be provided with access to fleet bicycles, including motorised bicycles, when undertaking Council business. If a Councillor requires provision of a designated bicycle or motorised bicycle, a request should be made to the Chief Executive Officer or delegate. The costs associated with provision of a designated bicycle and on-going maintenance will be included in a Councillor's quarterly expense report.

3.2.7. Accommodation and Incidentals

When travelling on Council business in outer metropolitan Melbourne and regional Victoria, Councillors may require accommodation. Councillors can stay in reasonable accommodation appropriate to the area travelled to and the nature of the visit. As a guide, four star accommodation is considered appropriate.

Bookings for accommodation should be made through the Council's travel agent or directly with the accommodation provider. Prior to making the booking, the authorisation of the Chief Executive Officer or delegate must be obtained. All reasonable sustenance and incidental costs associated with outer metropolitan Melbourne and regional Victoria travel will be met by Council.

3.3. Communication

3.3.1. Equipment and services

Communication equipment and services shall be provided to assist Councillors in the conduct of Council business. This includes equipment and services that support landline and mobile telephones, internet access, multifunction devices, laptop computers and tablet devices. A reasonable arrangement of equipment and services will be approved by the Chief Executive Officer or delegate.

Statements for Council-owned accounts to support communication services shall be provided for regular individual review. Councillors shall be given the opportunity of reimbursing Council for any portion which may be regarded as non-Council business related.

Councillors making claims in respect of privately-owned accounts for communication services shall be given the opportunity of seeking reimbursement of up to 75 per cent of costs outlined in statements.

Councillors may also request the transfer to Council of their privately owned mobile phone number. Approval will be given if there are no transfer costs or pre-existing contract arrangements imposed on the Council.

The issued items remain the property of Council and must be returned at the end of the Council term.

3.3.2. Mail

When communicating with constituents, Councillors are encouraged to use electronic formats. Where postage services are required on Council business related matters, Councillors shall have access to postal services which will be arranged through Council officers.

Councillors will be given the opportunity of sending corporate Christmas/Festive Season cards. These shall be available in paper and electronic format. Interested Councillors are encouraged to use electronic format. For

those Councillors who choose a paper based format, the cost of production and postage will be published as part of that Councillors quarterly expense report.

In recognition of the rich diversity of Melbourne's community, Councillors may send suitable cards to mark cultural occasions celebrated by particular communities. These are to be sourced by the Councillor and the subject of a claim for reimbursement. Costs associated with acquiring and posting cards shall be also published as part of the individual Councillor's quarterly expense report.

3.4. Functions external to the Town Hall

3.4.1. Hospitality expenses incurred outside the Town Hall

The Council provides internal hospitality services and Councillors are encouraged to use these services when conducting Council business.

However, it is recognised that Councillors may need to use external hospitality services when conducting Council business away from their office. These expenses shall generally relate to costs associated with the provision of meals, refreshments and other entertainment (for Councillors and their guests) considered appropriate to the nature of Council business being conducted. The claims may include gratuities included as part of an invoice for hospitality services. Although discretionary, Councillors should note that any gratuities provided for services should not be greater than 15 per cent of the invoice for services.

When making claims, Councillors should provide a broad description of the nature of Council business conducted.

3.5. Carer Expenses

3.5.1. Expenses incurred in the provision of carer services

The Council will reimburse the cost of necessary child care and carer expenses incurred by Councillors and members of delegated committees of Council who are not members of staff of Council, or councillors or members of staff of any other council ~~non-Councillor members of Council committees (committee member)~~ in the course of carrying out Council business.

~~This category covers child care and other forms of care needed to support immediate family members.~~

Child care costs

Reimbursement of child care costs will be available for immediate family only, i.e. where the Councillor, committee member or their domestic partner is the primary care giver.

Child care costs are not eligible for reimbursement if paid to a person who normally or regularly lives with the Councillor or committee member, except where a live-in (professional) helper, such as a nanny, is required to work extra time at extra expense because of the duties of the Councillor ~~s duties~~ or committee member.

The maximum hourly rate a Councillor or committee member will be reimbursed for child care expenses is \$46 per hour or as otherwise advised by the Chief Executive Officer or delegate.

Carer costs

Councillors and committee members who require carer or support services ~~for other immediate family members~~ should raise the matter with the Chief Executive Officer or delegate who shall advise on possible arrangements including reimbursement processes. The arrangement and supporting process will be guided by the meaning of a care relationship as defined in section 4 of the *Carer's Recognition Act 2012*.

All claims shall be supported by receipts or approved documentation outlining type of care provided, date, time and reason.

~~Claims must be accompanied by a receipt from the care provider showing the date and time care was provided and detail the reason care was needed on each occasion.~~

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5.4. Interstate and international travel

5.1.4.1. Introduction

As part of their duties, ~~the Lord Mayor, Deputy Lord Mayor and~~ Councillors will be required to undertake interstate and international travel on behalf of Council. Representation of Council at national and international levels is an important part of developing, communicating and implementing Council policy and includes:

- Travel to investigate issues, projects or activities of relevance to actions contained in the Council Plan and other policies and programs including those relating to portfolio responsibilities.
- Attendance at conferences, workshops and forums as either a presenter or a delegate on topics relating to Council's policies, aims and projects or on areas of professional development for Councillors.
- Participation in Council led missions to destinations in support of Council's policy, *Melbourne - doing business globally*, or as part of an agreed program of activities or established alliances targeted at improving business, cultural, environmental and innovation exchange.

5.2.4.2. Authorisation and reporting framework

5.2.4.2.1. Proposal to travel by ~~Lord Mayor, Deputy Lord Mayor and~~ Councillors

All proposals relating to interstate and international travel by ~~the Lord Mayor, Deputy Lord Mayor and~~ Councillors (with the exception of interstate travel by the Lord Mayor) requires the approval of the Future Melbourne Committee or Council. Such proposals should be presented in a report by the Lord Mayor, Deputy Lord Mayor, Councillor, relevant ~~General Manager or Director or Manager~~. Management will present proposals which they identify as underpinning or supporting Council's framework guiding international connections, *Melbourne - doing business globally*, or other key programs. Such proposals may be suggested by a Councillor/s for management consideration. Other proposals must be submitted by a Councillor/s as General Business at a Future Melbourne Committee or Council meeting.

Proposals for travel shall be completed on the report template as approved by the Chief Executive Officer or delegate.

5.2.4.2.2. Interstate travel by the Lord Mayor

Interstate travel by the Lord Mayor does not require approval by Future Melbourne Committee or Council. Due to the nature and timing of commitments that require the Lord Mayor to represent the City at a national level, interstate travel proposals should be made to the Chief Executive Officer.

5.2.4.2.3. Approval to travel in urgent circumstances

In urgent circumstances, approval for a Councillor to travel may be required in advance of consideration of a travel proposal by the Future Melbourne Committee or Council. In this instance, approval for Deputy Lord Mayor and ~~other~~ Councillors must be sought direct from the Lord Mayor. For urgent international travel by the Lord Mayor, the approval of the Chief Executive Officer, Deputy Lord Mayor and Portfolio Chair Finance and Governance must be obtained. These circumstances will generally involve situations where an urgent travel requirement arises and a meeting of the Future Melbourne Committee or Council is not scheduled in advance of the proposed departure date.

5.2.4.4.2.4. Post travel report

A post travel report is required for all approved international travel undertaken by ~~the Lord Mayor, Deputy Lord Mayor and~~ Councillors. The report should outline the outcomes and benefits of the travel, costs incurred and should be prepared within 60 days of return from travel and submitted for agenda listing at the next available meeting of Future Melbourne Committee or Council. If a period of greater than 60 days is required for the preparation of a report, an explanation for the delay should be included in the report once prepared. A post travel report for interstate travel is not required.

5.2.5.4.2.5. Undertaking Council business while on private travel

If ~~the Lord Mayor, Deputy Lord Mayor or a~~ Councillor proposes to officially represent the Council while on private interstate or overseas travel, authorisation should be sought in line with approval processes and requirements outlined above. Approval to represent Council is required regardless of whether or not expenses will be incurred.

5.2.6.4.2.6. Partner/companion travel

The cost of a partner, ~~spouse~~ or companion accompanying a Councillor on a business trip must be borne by that person unless there is a bona fide business purpose to support their presence (i.e. to support the business or representational needs of the Council). Travel at the Council's expense by an accompanying spouse, partner or companion must be authorised and sought in line with approval processes outlined above.

If a partner, ~~spouse~~ or companion wishes to accompany a Councillor in a private capacity, such travel should not be booked through the Council's travel service provider. The Chief Executive Officer or delegate will consider requests which may require assistance for logistical reasons. Any costs incurred by the person accompanying the Councillor in a private capacity will not be funded by Council.

~~A proposal by the Lady Mayoress to travel interstate or overseas on Council business and unaccompanied by the Lord Mayor will require approval by the Chief Executive Officer or delegate.~~

5.2.8.4.2.7. Non-Council funded travel

Offers of sponsored travel from international organisations, foreign governments, educational institutions and industry bodies should be considered provided that:

- The offer of travel is not made in exchange for, nor with an expectation of, the granting of favourable treatment.
- The acceptance of the offer does not give rise to an actual or perceived conflict of interest.

Care must be taken to ensure that there is no conflict of interest in such situations with Councillors being seen to use the status of their office to advance the interests of other organisations or interest groups.

Overseas or interstate visits in response to invitations from inter-governmental, official agencies, governments or private organisations (where all or part of the costs are to be met by the Council) are subject to this policy. Councillors should seek advice from Council officers before accepting any sponsored travel.

Travel at the expense of other parties should be in accordance with the standards of the sponsoring organisation. Supporting documentation should be provided confirming both external funding arrangements and appropriate authorisation by the host city or organisation for such travel by Councillors.

Councillors undertaking private travel arrangements in conjunction with Council approved and funded travel, must ensure that all costs incurred with private travel are clearly delineated from Council funded travel arrangements.

5.3.4.3. Travel arrangements

When travelling, Councillors will need to maintain accurate documentation relating to expenses incurred. Completion of the Councillor Interstate and Overseas Travel Expense Statement following return from travel will satisfy Fringe Benefits Tax legislative requirements which apply when travelling in Australia or overseas for more than five successive nights. Pre-travel briefings will be provided to Councillors.

5.3.4.3.1. Bookings and confirmation

Travel and accommodation arrangements will generally not be made in anticipation of approval. However, it is recognised that in some circumstances, tentative arrangements may need to be made to secure the most cost effective airfare and accommodation options.

All travel and accommodation reservations should be booked through the Council's designated travel agent. Any alternative arrangements must be approved by the Chief Executive Officer or delegate and may include bookings direct with airlines, accommodation providers or through conference organisers.

5.3.4.3.2. Duration of travel

In order to minimise the cost of accommodation at Council expense, the duration of any travel should be kept to an appropriate level given the distance of travel anticipated. Sufficient time to recuperate from travel prior to undertaking the purpose of the visit should be considered.

5.3.4.3.3. Insurance

Councillors are covered by Workcover under the *Workplace Injury Rehabilitation and Compensation Act 2013*, both in Australia and overseas.

Councillors are also covered by Council's Personal Accident and Corporate Travel Insurance policy. This covers Councillors whilst engaged in any activity connected with or on behalf of the Council.

Non-business related travel and non-business related items are not covered by this policy.

Further information to assist Councillors is provided as part of pre-travel briefings.

5.3.4.3.4. Passport and visas

Councillors travelling overseas are responsible for ensuring that they have a current passport and obtain any required visas. Visa requirements will be specified by the Council's travel agent. Costs can be paid or reimbursed by the Council.

5.4.4.4. Travel expenses

5.4.4.4.1. Fares

Interstate and overseas fares including air and rail can be arranged in accordance with section 4.3 of the [GuidelinesPolicy](#).

Air Travel

The Lord Mayor (or Acting Lord Mayor) may travel business class. The Deputy Lord Mayor and [other](#) Councillors will normally travel economy class on domestic travel and business class when on international travel. In special circumstances, such as long distance travel, health, itinerary and workload reason, authorisation (at time of travel approval) to travel business class on interstate business can be given to the Deputy Lord Mayor and [other](#) Councillors. When travelling with the Lord Mayor and/or Chief Executive Officer, the Deputy Lord Mayor and [other](#) Councillors may travel at the same class. Unless otherwise approved, travel is to be by the most economical and direct route.

[Carbon emissions resulting from air travel will be offset with the purchase of credits.](#)

Upgrades

Upgrades in the class of service are permitted at the Councillor's expense.

Rail Travel

All rail bookings must be made through the Council's designated travel agent or directly with the transport provider. All Councillors may use first class travel.

5.4.4.4.2. Accommodation

Accommodation in conjunction with official travel is to be arranged through the Council's designated travel agent or as outlined in section 4.3 of the [GuidelinesPolicy](#).

Councillors can stay in reasonable accommodation appropriate to the area travelled to and the nature of the visit. As a guide, four star accommodation is considered appropriate. Standard rooms will be used, except in special circumstances which may require the need for a suite. Councillors may accept room upgrades to suites or executive floor rooms if the upgrade is at no additional cost to the Council.

5.4.4.4.3. Sustenance and hospitality

Councillors travelling on Council related business are entitled to reimbursement of costs associated with the provision of daily sustenance meals and refreshments provided at the place of accommodation or alternative venue.

Councillors shall also be entitled to claim reimbursement for reasonable hospitality expenses incurred in entertaining individuals and officials while conducting Council business.

[Reasonable gratuities, commensurate with customs of the destination visited, shall be reimbursed.](#)

5.4.4.4.4. Vehicle expenses

Taxis [or rideshare services](#) can be used for purposes including travelling to and from airports and places of accommodation and official business.

For the purposes of reporting on travel and other directly attributable expenses, costs associated with transport to and from Melbourne airport/s shall be categorised as local travel.

The use of hire or rental vehicles is permitted where considered cost effective and practical.

Parking fines or driving offences are the responsibility of the vehicle driver. The driver is also responsible for obtaining an international driver's licence where required, the cost of which will be reimbursed.

5.4.5.4.4.5. Incidental expenses

The cost of incidental services including dry cleaning, laundry, fares and communication (including telephone and internet access) expenses will be reimbursed by Council. When using mobile devices whilst on international travel, Councillors should avoid excessive communication costs and are encouraged to use internet services provided through place of accommodation.

5.4.6.4.4.6. Cash advances: assisting Councillors with daily travel expenses

A cash advance may be offered to assist Councillors in meeting daily expenses which cannot be paid for by Council in advance of travel. This may include costs relating to accommodation, meals/sustenance, fares and other day-to-day incidentals. The amount to be provided will be guided by the per diem rates specified by the Australian Taxation Office plus an amount to cover accommodation and other fares which cannot be paid by Council in advance of travel. The amount to be provided for incidentals and accommodation shall be identified in the report seeking approval to travel.

5.4.7.4.4.7. Reconciliation of travel expenses

Councillors must reconcile cash advances and submit any claims for reimbursement within 60 days of return. Councillors will be required to complete a Councillor Interstate and Overseas Travel Expense Statement with claims supported by accounts and other receipts.

The exchange rate to be applied by Councillors when making claims and reconciling expenses shall be the rate identified by a banking institution or credit card company as being the closing rate on the day of departure for travel, or on the day of transaction, where a credit card is used.

5.4.8.4.4.8. Unexpended amounts of cash advances

Unexpended amounts of cash advances shall be returned to Council once a reconciliation of the cash advance and expenses incurred during the trip has been completed. This must occur within 60 days of return from travel. Written reminders shall be sent to Councillors who fail to comply. If a cash advance is not acquitted within a further 14 days following the issuing of a reminder, the Chief Executive Officer and Lord Mayor will be notified for further action.

All expenditure incurred with funds provided as part of cash advance shall be recorded against a Councillor as costs associated with interstate or international travel.

5.4.9.4.4.9. Excess expenditure

Reports submitted in relation to proposed travel will include the estimated costs of travel to be incurred by Council. It is acknowledged that fluctuations in airfare and accommodation prices may occur between time of submission of report and confirmed travel bookings.

A variance greater than 15 per cent between the estimated cost of an overseas travel as outlined in the approval by the Future Melbourne Committee or Council and the actual costs of travel must be identified in the post-travel report. A variance of \$600 or greater in respect of interstate travel must be the subject of a report to the Future Melbourne Committee or to Council.

The post travel report must include a statement outlining the reason for the variance, details of the additional expenditure and request approval in relation to the variance.

5.4.10.4.4.10. Receipts

Although receipts cannot always be obtained, every reasonable effort should be made to do so in order that claims for reimbursement can be assessed. A statutory declaration by a Councillor is required where receipts

have been misplaced or not issued. The maximum amount permitted to be covered by a statutory declaration is \$500 for interstate travel and \$800 for international travel.

5.4.11.4.4.11. Business mission travel costs

It is acknowledged that general costs will be incurred in preparation and delivery of a Council led international business mission. These are categorised as mission costs. For the purposes of travel expense reconciliation and reporting, individual costs directly attributable to a Councillor will be included in a post-travel report and the travel register which is described in further detail under section 4.5 of the [GuidelinesPolicy](#).

5.5.4.5. Travel expense reporting requirements

The Local Government Regulations require the maintenance of a travel register containing details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months. The register must include names, the date, destination, purpose and total cost of the overseas or interstate travel. Council has also resolved that in addition to making the register available for inspection, it will also be published on Council's website. The register is published concurrently with the quarterly expense report. All published travel registers and expense reports remain available through the web site.

6.5. Management mechanisms and operational costs

6.1.5.1. Management procedures

Details of procedures relating to expenses and operating costs shall be maintained as part of management of Councillor expense procedures made available to the Offices of Lord Mayor, Deputy Lord Mayor [and](#) , Councillors [and Lady Mayoress](#)

6.1.1.5.1.1. Methods of incurring expenses and operational costs

The expenses and operating costs relating to the provision of services, facilities and resources will be processed and managed via one of the mechanisms outlined below.

Council's purchasing system

Completion through the Technology One system.

Reimbursement claims

Completion of a reimbursement claim form by a Councillor providing full details and original receipts or supporting documentation. Councillors should ensure that claims for reimbursement are submitted within 60 days of incurring an expense or following the completion of travel. Councillors must provide a written explanation if making a claim for an expense 60 days or longer after it was incurred (or after the completion of travel). Claims for expenses six months or older will not be reimbursed. [Reimbursement claim forms and details of operating processes are available through support staff and on the Councillor portal.](#)

Corporate purchasing card

The Lord Mayor shall be issued with a corporate purchasing card to assist with expenses incurred while conducting Council business. A monthly account will be provided to assist with reconciliation. For the purposes of the [GuidelinesPolicy](#), all authorised costs incurred on Council related business will be deemed as an expense claim.

Authorisation levels

The Chief Executive Officer shall stipulate authorisation levels and designate Council officers in respect of reimbursement and other expense transaction processes referred to in the [GuidelinesPolicy](#).

6.1.2.5.1.2. Monitoring mechanisms

The Chief Executive Officer or delegate shall implement processes which will monitor the quantum of Councillor expenses and review transaction processes to ensure accurate allocation of costs.

Councillors will be provided with a quarterly report outlining expenses incurred in the directly attributable Councillor expense categories described in sections 3.1 to 3.5 to review and amend where necessary.

Monitoring processes will also include regular reporting to the Audit and Risk Committee.

6.2.5.2. Use of facilities

6.2.1.5.2.1. General

To assist ~~Councillors~~ in meeting the demands and expectations while conducting Council business, ~~the following~~ internal sustenance arrangements shall be offered to all Councillors. The arrangement will provide a reasonable level of meals and refreshments to support Councillors whilst conducting business at their office.:

- ~~• Reasonable refreshments during meetings on Council business. The type of refreshments shall depend on the nature of the meeting, timing and attendees.~~
- ~~• Access to a lunch if requested by the Councillor while attending Council duties or meetings.~~
- ~~• Reasonable meals served during evenings of Committee, Council and other key meetings.~~
- ~~• Provision of refreshment facilities in the Councillors' accommodation area.~~

~~Refreshments are also provided in the facilities designated for use by all Councillors and their guests.~~

Non-Council business related functions organised by a Councillor must be paid for by the particular Councillor.

Use by external organisations or individuals of meeting, office and catering facilities and services (afforded to the Councillors) on matters not related to Council business is not permitted. Requests by community, charitable or non-profit organisations should be referred to the appropriate operational area for assessment against previously determined criteria. This includes requests by external organisations for single, occasional or on-going access to meeting facilities for the conduct of that organisation's business.

6.2.2.5.2.2. Office of Lord Mayor

Due to the special role of the Lord Mayor, the office receives and extends a high volume of invitations for functions, luncheons, dinners and civic receptions. The purpose of these activities is to position the Council as the leading local government authority in the State, and a level of government accessible and responsive to its stakeholders. The budget allocation to the Office of Lord Mayor should enable its core activity of facilitating the political, economic, social and cultural advancement of the Council's strategies and policies.

Where the Lord Mayor is proposing to host a function with an estimated cost of over \$3000, the approval of the Chief Executive Officer or delegate should be sought. In seeking approval, the Lord Mayor shall specify the type and nature of function and how the function aims to promote the initiatives, strategies and policies of Council.

6.2.3.5.2.3. Office of Deputy Lord Mayor

In meeting the demands and expectations placed on the office, the Deputy Lord Mayor will also be expected to host meetings and functions which will assist in positioning the Council and advancing the Council's strategies and policies.

Where the Deputy Lord Mayor is proposing to host a function with an estimated cost of over \$500, the approval of the Chief Executive Officer or delegate should be sought. In seeking approval, the Deputy Lord Mayor shall specify the type and nature of function and how the function aims to promote the initiatives, strategies and policies of Council.

6.2.4.5.2.4. Office of Councillors

As a general operating principle, in circumstances where individual Councillors, in pursuing an issue or project, believe it is beneficial to arrange a function involving a large number of people, this should be arranged in consultation with the appropriate operational area. Such functions should be funded by the relevant area, therefore ensuring attribution of the cost to the project or issue. Where the cost cannot be attributed to a project or issue and the matter relates to Council business, the function shall be funded by the office of Councillors.

Councillors proposing to host a function with an estimated cost of over \$500 should seek the approval of the Chief Executive Officer or delegate. In seeking approval, Councillors shall specify the type and nature of function and how the function aims to promote the initiatives, strategies and policies of Council.

Councillors shall participate in some of the functions organised by the Office of Lord Mayor or Deputy Lord Mayor. Invitations to all Councillors shall be extended for major functions such as civic receptions. Invitations to smaller scale functions shall be based on portfolio responsibilities and on the numbers appropriate to the function.

6.2.5.5.2.5. Council car park

Parking for Councillors is provided within the car park in the basement of Council House 1 and 2. Some provision for after hours parking by partners/family members of Councillors is also available by arrangement with the Town Hall Security Control Room.

Vouchers are available for car parking by partners and guests, when attending Council related events at the Town Hall or in the City. These vouchers are for use in nominated car parking facilities within the City.

6.3.5.3. Office accommodation and support staff

The level of support staff and accommodation facilities shall be determined by the Chief Executive Officer in consultation with ~~Lord Mayor, Deputy Lord Mayor and~~ Councillors. In doing so, the Chief Executive Officer will acknowledge the responsibilities and greater level of commitments and expectations placed on the Lord Mayor and Deputy Lord Mayor.

~~A request to provide the partner of the Lord Mayor with access to support services and facilities should be made to the Chief Executive Officer or delegate for determination. Where appropriate, advice of agreed arrangements made shall be communicated to all Councillors. An appropriate level of support will be provided to assist the Lady Mayoress. This includes office administration, communication, travel and other services required to assist the Lady Mayoress fulfil representation roles. The services provided shall be subject to the approval of the Chief Executive Officer or delegate.~~

6.4.5.4. Shared facilities and services

Operating costs will be incurred in the provision of a number of shared services and facilities which will be offered to Councillors to assist in day-to-day activities. This will include hospitality provided in facilities designated for general use by Councillors and guests, those relating to meetings involving all Councillors and other costs associated with workshops and forums.

6.5.5.5. Gifts

In fulfilling their civic and ceremonial roles and responsibilities, Councillors will meet local, national and international delegates and officials.

In circumstances where the exchange of gifts between the host and visitor is considered courteous and expected, associated costs are reimbursable when the gift is extended on behalf of Council. No reimbursement will be made for personal gifts. Where possible, gifts listed as part of Council's Corporate Gifts schedule should be used.

The provision of corporate gifts by Councillors shall be of a standard considered appropriate for the event.

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6.6-5.6. Legal costs

Legal costs incurred by Councillors will not be reimbursed without a formal decision of Council.

However, in the event that a Councillor Conduct Panel dismisses an application, the respondent Councillor is entitled to make a claim for reimbursement of up to \$10,000 in legal expenses, where no other avenue for claim is practicable. Councillors should note that the nature of Councillor Conduct Panels is an informal one and as such should consider participation without legal representation.

6.7-5.7. Tax requirements

When making a claim, Councillors must supply invoices which are tax invoice compliant for Goods and Services Tax purposes. Councillors will also need to comply with Fringe Benefit Tax requirements and appropriate guidance is provided in those categories impacted by the requirements.

6.8-5.8. Review

The [Guidelines Policy](#) shall be subject of review and endorsement by Council at intervals of not less than once every two years.

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City of Melbourne Audit and Risk Committee Charter

REVIEW APRIL/MAY 2020

1. Purpose of this Charter

The purpose of this charter is to facilitate the operation of the Council's Audit and Risk Committee (the Committee). This charter is prepared and approved by the Melbourne City Council (Council) pursuant to section 54 (1) of the Local Government Act 2020 (the Act).

2. Introduction

The Committee is established by the Council in accordance with section 53 (1) of the Act. The Committee is not a delegated committee of Council and does not have executive powers or authority to implement actions in areas over which Council management (management) has responsibility nor any delegated financial responsibility. The Committee does not have any management functions and is therefore independent of management.

The Committee's role is to report to the Council and provide appropriate advice and recommendations on matters relevant to its charter in order to facilitate decision making by the organisation comprising Council and management, in relation to the discharge of its responsibilities.

The Committee's functions and responsibilities include monitoring the compliance of Council policies and procedures with the overarching general principles set out in section 9(2) of the Act, and the regulations and any Ministerial directions under the Act.

3. Objectives

The objectives of the Committee, in relation to Council and its subsidiaries, are to oversee:

- 3.1 the integrity of external financial reporting, including accounting policies
- 3.2 the scope of work, objectivity, performance and independence of the external and internal auditors
- 3.3 the establishment, effectiveness and maintenance of controls and systems to safeguard financial and physical resources
- 3.4 the systems or procedures that are designed to ensure compliance with relevant statutory and regulatory requirements
- 3.5 the process for recognising risks arising from operations and strategies, and consider the adequacy of measures taken to manage those risks
- 3.6 the process and systems which protect against fraud and improper activities including the Protected Disclosures Act procedures.

The Committee seeks also to add to the credibility of Council and its subsidiaries by promoting ethical standards through its work.

4. Authority

Council

The Committee has the authority to:

- 4.1 Review the internal and external auditor's annual audit plans and the outcomes/results of all audits undertaken.
- 4.2 Seek any information or advice it requires from Council members, and management via the Chief Executive Officer and external parties.
- 4.3 Formally meet with management, internal and external auditors as necessary.
- 4.4 Seek resolution on any disagreements between management and the external auditors on financial reporting.

Council's subsidiaries

The Committee has the authority to seek any information or advice it requires from the subsidiaries of Council via the Chairpersons of the Boards or their Chief Executive.

General

The Committee has the authority to advise Council on any or all of the above as deemed necessary.

5. Composition

- 5.1 The Committee will comprise five members, three being independent and two Councillors.
- 5.2 [In accordance with section 53\(3\(c\) of the Act, the Committee will not include any person who is a member of Council staff.](#)
- 5.3 The Council will appoint Committee members. In appointing members to the Committee, the Council will consider gender balance.
- 5.4 The Chair will be independent of Council and management, and will be appointed by the Committee annually by election by all committee members, and ratified by Council.
- 5.5 The Committee is authorised to appoint an Acting Chair, [from the independent members](#), when required.
- 5.6 The members, taken collectively, will have a broad range of skills and experience relevant to the operations of the Council [including expertise in financial management and risk and experience in public sector management.](#)
- 5.7 Independent members will be appointed for an initial period not exceeding three years. Members may be re-appointed for a further period. Members will not be appointed for more than three consecutive terms.
- 5.8 A quorum will be a majority of members that must include at least one Councillor. The number of independent members at each meeting must equal or exceed the number of Councillors.
- 5.9 Independent members will be remunerated at a rate set by Council.
- 5.10 [Section 123 \(Misuse of position\), section 125 \(Confidential information\) and Division 2 of Part 6 \(Conflict of interest\) of the Act, apply to an independent member of the Committee as if the member were a member of a delegated Committee of Council.](#)
- 5.11 New members will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities.

6. Meetings

- 6.1 The Committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require.
- 6.2 Additional meetings may be called by the Chair of the Committee, or at the request of the Lord Mayor or Chief Executive Officer.
- 6.3 The Committee meetings are closed to the public.
- 6.4 All Councillors are invited to attend each Committee meeting.
- 6.5 All Committee members are expected to attend each meeting in person.
- 6.6 The Chief Executive Officer will facilitate the meetings of the Committee and invite members of management, internal and external auditors or others to attend meetings as observers and to provide pertinent information, as necessary.

- 6.7 The Committee will develop a forward meeting schedule that includes the dates, location, and content of the annual work [program](#) for each meeting for the forthcoming year, that cover all the functions and responsibilities outlined in this charter.
- 6.8 Meeting agendas will be prepared and provided at least one week in advance to members, along with appropriate briefing materials.
- 6.9 Minutes will be taken at each meeting and presented to the subsequent meeting for confirmation.

7. Functions and responsibilities

The Committee will carry out the following functions and responsibilities:

7.1 Risk management and fraud prevention

- 7.1.1 Monitor and provide advice on risk management systems and controls.
- 7.1.2 Review whether management has in place a current and comprehensive enterprise risk management framework and associated procedures for effective identification and management of Council's business and financial risks.
- 7.1.3 Determine whether a sound and effective approach has been followed in managing Council's major risks including those associated with individual projects, program implementation, and activities.
- 7.1.4 Assess the impact of the Council's enterprise risk management framework on its control environment and insurance arrangements.
- 7.1.5 Monitor and provide advice on fraud prevention systems and controls to assist Council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.
- ~~7.1.6 Review the process of developing and implementing the council's fraud control arrangements to assist council in ensuring it has appropriate processes and systems in place to detect, capture and effectively respond to fraud and improper activities.~~

7.2 Business continuity

- 7.2.1 Consider whether a sound and effective approach has been followed in establishing Council's business continuity planning arrangements, including whether business continuity and disaster recovery plans have been periodically updated and tested.

7.3 Internal control

- 7.3.1 Review whether management's approach to maintaining an effective internal control framework is sound and effective.
- 7.3.2 Review whether management has in place relevant policies and procedures, including Chief Executive Officer's Instructions or their equivalent, and that these are periodically reviewed and updated.
- 7.3.3 Consider whether the appropriate processes are in place to assess, at least once a year, whether key policies and procedures are complied with.
- 7.3.4 Review whether appropriate policies and supporting procedures are in place for the management and exercise of delegations.
- 7.3.5 Consider how management identifies any required changes to the design or implementation of key internal controls.

7.4 Compliance

- 7.4.1 Monitor the compliance of Council's policies and procedures with the overarching governance principles set out in section 9(2) of the Act and the regulations and any ministerial directions under the Act.
- 7.4.2 Review the systems and processes to monitor the effectiveness of the system for monitoring compliance with legislation and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

- 7.4.3 Keep informed of the findings of any examinations by regulatory agencies and any auditor (internal or external) observations and monitor management's response to these findings.
- 7.4.4 Obtain regular updates from management about compliance matters.

7.5 Internal audit

- 7.5.1 Review with management and the internal auditor the charter, activities, staffing, and organisational structure of the internal audit function.
- 7.5.2 Review the specifications for the Provision of Internal Audit Services contract and participate in the tender evaluation process.
- 7.5.3 Review and recommend the annual internal audit plan for endorsement by the Council and all major changes to the plan.
- 7.5.4 Monitor that the internal auditor's annual plan is linked with and covers the material business risks.
- 7.5.5 Monitor processes and practices to ensure that the independence of the internal audit function is maintained.
- 7.5.6 Annually review the performance of internal audit including the level of satisfaction with the internal audit function having consideration of the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.
- 7.5.7 Provide an opportunity for the Committee to meet with the internal auditor to discuss any matters that the Committee or internal auditor believes should be discussed privately.
- 7.5.8 Review all internal audit reports and provide advice to the Council on significant issues identified in audit reports and action to be taken on issues raised, including identification and dissemination of good practice.
- 7.5.9 Monitor management's implementation of internal audit recommendations.

7.6 External audit

- 7.6.1 Note the external auditor's proposed audit scope and approach for financial and performance audits, including any reliance on internal auditor activity.
- 7.6.2 Consider the findings and recommendations of relevant Performance Audits undertaken by the external auditor and ensure the Council implements relevant recommendations.
- 7.6.3 Monitor processes and practices to ensure that the independence of the external audit function is maintained.
- 7.6.4 Provide an opportunity for the Committee to meet with the external auditors to discuss any matters that the Committee or the external auditors believe should be discussed privately.
- 7.6.5 Review all external audit reports and provide advice to the Council on significant issues identified in audit reports and action to be taken on issues raised, including identification and dissemination of good practice.
- 7.6.6 Annually review the performance of external audit including the level of satisfaction with the external audit function.
- 7.6.7 Monitor management's implementation of external audit recommendations.

7.7 Subsidiary Companies

- 7.7.1 Note and consider the annual Internal Audit Plan and, through quarterly reporting, note the Audit Status Report detailing progress against the plan, issues and risks identified and remedial activities scheduled.
- 7.7.2 Note and consider the annual Internal Audit Report, summarising the status of all Internal Audit recommendations.
- 7.7.3 Note and consider the macro risk profile annually and the risk matrix that identifies the top five key strategic risks. Through quarterly reporting, note any new or changing risks that impact the risk profile and/or the key strategic risks.
- 7.7.4 Note and consider through quarterly reporting, information relating to:
- OH&S statistic and major incidents and near misses
 - actual and potential fraud activity
 - legal claims
 - instances of non-conformance with laws and regulations
 - proposed changes to accounting policies
 - material, unusual accounting transactions and adjustments.
- 7.7.5 The Chair of the Committee will meet with the Chairs of the subsidiary Committees at least annually for exchange of information and ideas.
- 7.7.6 Note and consider the External Auditor's annual management letter.
- 7.7.7 Note and consider the annual report from the subsidiaries relating to the performance of their Internal and External Auditors.
- 7.7.8 Note and consider the Committee charters of the subsidiaries and any subsequent changes thereto.

7.8 Financial report

- 7.8.1 [Monitor Council's financial and performance reporting.](#)
- 7.8.2 Review significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
- 7.8.3 Review with management and the external auditors the results of the audit, including any difficulties encountered.
- 7.8.4 Review the annual financial report and performance report of the Council and its subsidiaries, and consider whether it is complete, consistent with information known to Committee members, and reflects appropriate accounting principles.
- 7.8.5 Review the process for the consolidation of financial information of Council related entities into the financial reports of Council.
- 7.8.6 Review with management and the external auditors all matters required to be communicated to the Committee under the Australian Auditing Standards.
- 7.8.7 Recommend the adoption of the Consolidated Financial Statements to Council.

7.9 Reporting responsibilities

- 7.9.1 Report regularly to the Council about Committee activities, issues, and related recommendations through circulation of minutes and the Committee's [biannual audit and](#)

risk report as required by section 54(5)(a) and (b) of the Act. Additional updates may be appropriate should issues of concern arise.

- 7.9.2 Monitor that open communication occurs between the internal auditor, the external auditor, and the management.

7.10 Other Responsibilities

- 7.10.1 Perform other activities related to this charter as requested by the Council.
- 7.10.2 Annually review and assess the adequacy of this charter, request Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.
- 7.10.3 Undertake an annual assessment of the Committee's performance against this charter and provide a copy of the annual assessment to the Chief Executive Officer for tabling at the next Council meeting in accordance with section 54 (4)(a) and (b) of the Act.

7.11 Transparency measures adopted

- 7.11.1 The Committee Performance Report is to be presented to Council annually and published on the Council's website.
- 7.11.2 A 'one-off' End of Council Term Report is to be presented prior to the end of each Council term to a closed session of Council, before the caretaker period commences.
- 7.11.3 A briefing paper from the Committee is to be sent to Councillors after each of the four regular Committee meetings summarising progress, matters discussed and any issues the Committee wishes to share with all Councillors.
- 7.11.4 The Chair of the Committee will present a summary of the Committees activities and findings to a Councillor Forum annually, followed by an in-camera session with Councillors immediately after the conclusion of Councillor Forum.
- 7.11.5 Internal audit reports and external audit reports shall not be made public.

Planning and Environment Act 1987

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