

Councillor Allowances and Expenses

Narration Script

Huon Valley Council | Candidate and Councillor Knowledge Series

Slide	Title	Words	Approx.
1	Title — Councillor Allowances and Expenses	83	0:34
2	Before You Begin	168	1:10
3	The Allowance	199	1:22
4	When It Changes or Stops	207	1:26
5	Expenses: The Framework	182	1:15
6	What Council Reimburses	198	1:22
7	Legal Costs	193	1:20
8	Support and Equipment	192	1:19
9	Conferences and Training	215	1:29
10	Learning Is Now Mandatory	203	1:24
11	Claiming, and Being Seen	203	1:24
12	Five Things to Remember	184	1:16
	Total	2227	15:22

Slide 1 — Title — Councillor Allowances and Expenses

Welcome to Councillor Allowances and Expenses, part of the Hew-on Valley Council Candidate and Councillor Knowledge Series.

Being a councillor costs money. There is travel, there is phone and internet use, and there is time away from paid work. The Act provides an allowance and a right to reimbursement, and Council has a policy setting out how both work.

This module covers what a councillor receives, what can be claimed, what support Council provides, and the learning and development that is now required.

Slide 2 — Before You Begin

An allowance is not a salary, and understanding that shapes every other question in this module.

It is an entitlement rather than a wage. A councillor is entitled to the allowance prescribed for their council's allowance band. It is not paid for hours worked, it does not create an employment relationship, and it is not compensation for the time the role takes.

Expenses are separate. Reasonable expenses actually incurred in carrying out the duties of office are reimbursed on top of the allowance, within a policy Council must adopt.

Council must have that policy. Schedule 5 of the Act requires a council to adopt a policy in respect of payment of expenses incurred by councillors in carrying out the duties of office, and to make a copy available for public inspection. Council's is GOV-CORP 006.

And the categories are Council's to set. Determining the categories of expenses that may be reimbursed is one of the matters section 22 places beyond delegation, so it comes to Council every time.

Slide 3 — The Allowance

Allowances are prescribed by regulation, in bands, and the band belongs to the council rather than to the individual councillor.

The entitlement is straightforward: a councillor is entitled to the allowance prescribed for the councillor's allowance band.

The band is the council's. Each council is allocated an allowance band, determined by the Minister in accordance with a scoring method set out in the Regulations. So the allowance a councillor receives reflects the size and circumstances of the council they serve, not anything about them personally.

Hew-on Valley Council sits in band two point two. As at the first of November 2026 that means a councillor allowance of twenty-two thousand and sixty-four dollars, an additional eighteen thousand three hundred and thirty-four dollars for the Deputy Mayor, and an additional forty-eight thousand two hundred and seventy-seven dollars for the Mayor.

Those figures are prescribed in the Regulations and adjusted over time, so treat any number you hear as current at a date rather than fixed. The Schedule is the authority, and the Minister reviews the bands themselves before each ordinary election.

And allowances are paid in arrears the Act requires it. Council pays monthly, into the councillor's nominated bank account.

Slide 4 — When It Changes or Stops

Four situations affect entitlement, and one of them is a choice.

A councillor may decline the allowance. By written notice to the Chief Executive Officer, a councillor, mayor or deputy mayor may elect not to receive all or part of it. Council's policy provides that payment ceases or reduces from the date the Chief Executive Officer receives that notice.

Suspension ends it. A councillor suspended under the Act is not entitled to any allowance during the period of suspension.

So does a prohibition. A person prohibited from performing the functions or exercising the powers of a councillor under section 339C is not entitled to any allowance during that prohibition.

Part years are pro-rated. Where a councillor resigns, is removed from office, or is elected part way through a year, the allowance is calculated on a pro rata basis from the preceding first of November.

And the bands get reviewed. The Minister must review councillor numbers and councillor allowances for all councils in the window between twelve months and six months before an ordinary election, determining each council's aggregate score, councillor number category and allowance band. So the size of the Council and the allowance are reviewed together, on a fixed cycle, in the term before an election.

Slide 5 — Expenses: The Framework

Schedule 5 of the Act sets the entitlement, the Regulations prescribe four categories, and Council may add to them.

The entitlement is that a councillor is entitled to be reimbursed for reasonable expenses, in accordance with Council's policy, in relation to any prescribed expenses and any other expenses the Council determines appropriate.

Regulation 50 prescribes four categories: telephone rental, calls and internet use; travelling; care of any person dependent on the councillor who requires that care while the councillor is on duty; and stationery and office supplies.

Council may go further, determining other expenses appropriate for reimbursement, and providing support services, facilities and equipment on loan on any conditions it considers appropriate.

The test is reasonable expenses actually incurred in carrying out the duties of office. It is not a second allowance, and a claim has to be for something real.

And duties of office are defined. Council's policy lists them in an appendix — Council meetings, workshops, meetings with employees, committees a councillor has been appointed to, community meetings by invitation, inspections to gain familiarity with agenda items, and funded conferences.

Slide 6 — What Council Reimburses

Council's policy sets a rate or a limit for each category, and knowing them saves time at claim.

Travel. Journeys to and from home, to and from the councillor's place of work, and travel relating to dependent person care. The rate is the Australian Taxation Office rate per work-related kilometre, and public transport is reimbursed at cost.

Telephone and internet. Calls as charged or to a maximum of thirty-five per cent of the monthly line rental or mobile plan, plus calls charged above the plan. Internet to a maximum of thirty-five per cent of the monthly plan. The Mayor may instead be provided with a Council mobile.

Dependent person care, where the care is required while the councillor is carrying out their duties, with child care at the maximum Child Care Benefit hourly rebateable fee. This category matters more than it is talked about — it is often what makes the role possible for people with caring responsibilities.

Stationery and office supplies at cost, and reasonable out-of-pocket expenses for meals and refreshments.

But not everything. Travel is not reimbursed where Council has made alternative arrangements, and secretarial support does not extend to address lists, postage or unsolicited correspondence.

Slide 7 — Legal Costs

The line on legal costs is drawn carefully, and a recent Supreme Court decision drew it.

Council will not fund legal fees or disbursements for litigation arising from the personal actions of a councillor. Council's policy cites the 2024 Supreme Court decision in McCullagh against Northern Midlands Council for that position.

Council will not fund a councillor's costs in a Code of Conduct complaint either. Under section 28ZN a councillor bears their own costs relating to the investigation and determination of a complaint.

But councillors are protected when acting in good faith. Section 341 provides that a councillor does not incur personal liability for any act done or omitted in good faith in performing or purporting to perform a function or power under the Act. The liability lies against the Council instead.

And consistent with that, Council may fund or reimburse expenses a councillor incurs defending proceedings against them, provided the act or omission was in good faith and in performing their functions.

The distinction is the thing to remember. Acting in the role, in good faith, is protected and may be funded. Acting personally, or breaching the Code of Conduct, is neither.

Slide 8 — Support and Equipment

Beyond reimbursement, Council provides services, facilities and equipment to make the role workable. Schedule 5 expressly allows this, on any conditions Council considers appropriate.

Secretarial support comes through the Office of the Chief Executive Officer, covering both the discharge of councillor functions and the practical arrangements — booking vehicles, registrations, travel and accommodation for conferences, with costs paid directly.

Vehicles. Councillors may access a Council vehicle if available, and following Council's climate emergency motion are strongly encouraged to use the electric pool vehicle first. A vehicle may be provided for the Mayor, for bona fide Council business only, not personal use, and garaged at the Mayor's residence.

Councillors may use the office telephones, and are provided with business cards of the same quality and design as those provided to the Executive Leadership Team.

Meals are provided for meetings, committee meetings or workshops held over the lunch period, or commencing after five and running more than an hour and a half.

And insurance. Council provides cover for the Mayor, Deputy Mayor and Councillors against personal injury arising out of travelling to, or attendance at, any function in carrying out the duties of office.

Slide 9 — Conferences and Training

Council funds development for the whole Council and for individual councillors, within allocations set by the policy.

Whole of Council training comes first. Council will from time to time provide and pay for training for the benefit of all councillors in undertaking their duties and their roles and functions under any Act.

Individual allocations sit alongside that — an annual amount for each councillor, with an additional amount for the Deputy Mayor and a larger additional amount for the Mayor, drawn from a base learning and development budget, adjusting proportionally if that base changes.

It has to be relevant — to the current activities of Council and to councillors' professional development needs as they relate to their responsibilities. The policy gives particular consideration to Local Government Association of Tasmania events: the conference, mayors' workshops, councillor training and other sessions.

Approval comes first, and this one catches people. A councillor is not entitled to reimbursement unless approval to attend was obtained before the event, either by Council resolution or from the Chief Executive Officer under delegated authority.

And a report comes after. A councillor who attends provides a report to the next practicably available ordinary meeting, summarising the event and any lessons learnt. That is what turns one person's development into value for the whole Council.

Slide 10 — Learning Is Now Mandatory

Two provisions make development an obligation rather than an opportunity, and both are recent.

First, mandatory core learning. The Director of Local Government may approve one or more courses of mandatory core learning and development activities, consisting of activities relating to the roles and responsibilities of councils and councillors.

A councillor must complete any applicable course within twelve months after their election. The Director may extend that period where satisfied it would be appropriate, but twelve months is the default.

Different courses may apply to different councillors — the Director may approve different courses, or different requirements, for those who have not served in the immediately preceding term and those who have. And a course may only be approved after consulting the Local Government Association of Tasmania on its suitability.

Second, Council needs a continuing professional development policy, adopted within six months after an ordinary election. It is prepared by the Chief Executive Officer, must relate to matters relevant to councillors' roles and responsibilities, must have regard to their development needs, and must include an estimate of what Council will spend implementing it.

That six-month clock runs from the election, so it is one of the first policy decisions of a new term.

Slide 11 — Claiming, and Being Seen

Claims follow a set process, and everything is reported publicly.

Claims are made quarterly, on the form in the policy, at the end of September, December, March and June, and submitted to the Chief Executive Officer for authorisation.

They must be accompanied by copies of receipts and invoices where relevant, and the Chief Executive Officer may refuse a claim where those have not been provided. That is not bureaucracy for its own sake — it is what allows the expenditure to be defended when it is published.

In any election year, claims must also be made by the first of November, so a term closes cleanly.

Disputes go to Council. Where the Chief Executive Officer considers a claim unreasonable or outside the policy, or where questions of relevance and equity around conference attendance cannot be agreed, the matter is referred to Council for final decision.

And it is all public. Expenditure is reported in the financial statements and the Annual Report. Conference and training attendance is reported at each Council meeting and in the Annual Report. Allowances, meeting attendance and completed core learning activities are separately disclosed in the Annual Report. A councillor who assumes their claims are private has misunderstood the arrangement.

Slide 12 — Five Things to Remember

Five things to take away.

One. An allowance is not a salary. It is an entitlement set by the council's allowance band, paid in arrears, and it creates no employment relationship. A councillor may also elect in writing not to receive all or part of it.

Two. Expenses are reimbursement, not income. Four categories are prescribed by regulation and Council may determine others. The test is reasonable expenses actually incurred in carrying out the duties of office, supported by receipts.

Three. Good faith is protected; personal action is not. Section 341 shifts liability to Council for anything done in good faith in performing the role, and Council may fund that defence. Personal litigation and Code of Conduct complaint costs are the councillor's own.

Four. Approval before, report after. No prior approval means no reimbursement for a conference or training. And attending means reporting back to the next available ordinary meeting.

Five. Learning is now mandatory. Core learning and development activities must be completed within twelve months of election, and Council must adopt a continuing professional development policy within six months of an ordinary election.