

## **RELEVANT INFORMATION FOR COUNCIL**

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**FILE:** S048524-04 **DATE:** 7 August 2017  
**TO:** Lord Mayor and Councillors  
**FROM:** Monica Barone, Chief Executive Officer  
**SUBJECT:** Information Relevant To Item 6.5 - Councillors' Expenses and Facilities Policy 2017 – Adoption - At Council - 7 August 2017

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That the Lord Mayor and Councillors note the information contained in this memo.

### **Purpose**

At the meeting of the Corporate, Finance, Properties and Tenders Committee held on 31 July 2017, when considering the Councillors' Expenses and Facilities Policy for adoption, information was requested on the items listed below.

### **Background**

#### **Office of the Lord Mayor Staffing**

The Office of the Lord Mayor has the following full-time equivalent (FTE) staffing: Chief of Staff (1 FTE), Deputy Chief of Staff (1 FTE), Executive Support (5 FTE); Policy (6 FTE); Communications: (3 FTE); Protocol: (6 FTE). The salaries budget is 87% of the overall Office of the Lord Mayor budget.

Office of the Lord Mayor staff work cooperatively to assist the Lord Mayor in the areas of policy development and advocacy; strategic planning and research; communications and media; community, government and industry liaison; exercise of civic and ceremonial functions; and administrative support. The primary responsibilities are clear in the team names.

#### **Correspondence from Office of Local Government**

A copy of correspondence received from the Office of Local Government following a review of the Policy was requested. The correspondence is attached.

#### **Financial Oversight and Audit of the OLM Budget**

The budget for the Office of the Lord Mayor is set in accordance with City of Sydney procedures and oversight from the Executive before final adoption by Council. Business Units across council, including the Office of the Lord Mayor, develop their draft budgets to reflect their expectations of income and expenditure, including existing approved labour resources.

During the course of the year, monthly management reports are provided to all Business Units, including the Office of the Lord Mayor, and budget variances are analysed to ensure accuracy. The monthly results are considered by each individual manager and their Directors, reviewed by independent CFO staff, and collectively reported to the Executive.

Every quarter, a summary of the financial position, with explanation of key risks and major variances is then reported through to Council and the public. The quarterly reports are then tabled at the Audit Risk and Compliance Committee to keep them informed of current progress against the Council's operational and financial plans, and allow the opportunity for any issue or concerns to be addressed.

The annual financial statements are prepared by the CFO staff, reviewed and endorsed by the Audit, Risk and Compliance Committee, and reviewed independently by the external auditors, now the Audit Office of NSW. As part of their review, they test material variances from budget, and ultimately provide an independent level of assurance over what they find during their review. These statements are reported to the Council and the public.

**Monica Barone, Chief Executive Officer**

Prepared by: Leander Klohs, Executive Manager OCEO

TRIM Document Number: 2017/386448

**Attachments**

2017/386448-01 Incoming Correspondence - Office of Local Government - Draft Councillors' Expenses and Facilities Policy

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approved

A handwritten signature in black ink, appearing to read 'M. Barone', with a long horizontal flourish extending to the right.

**Monica Barone, Chief Executive Officer**

# **ATTACHMENT A**

**INCOMING CORRESPONDENCE –  
OFFICE OF LOCAL GOVERNMENT –  
DRAFT COUNCILLORS' EXPENSES AND  
FACILITIES POLICY**



## Office of Local Government

5 O'Keefe Avenue NOWRA NSW 2541  
Locked Bag 3015 NOWRA NSW 2541

Our Reference: A534982  
Your Reference:  
Contact: Richard Murphy  
Phone: 02 4428 4191

Ms Monica Barone  
General Manager  
Council of the City of Sydney  
GPO Box 1591  
SYDNEY NSW 2001

Dear Ms Barone

Thank you for Council's email of 23 May 2017 providing a further revised version of the Council of the City of Sydney's draft *Councillors' Expenses and Facilities Policy* (the Policy).

I note that Council has made a number of changes to the Policy, both in response to feedback provided by the Office of Local Government (the Office) and of its own volition.

The Office is satisfied that the latest version of the Policy is generally consistent with the requirements set out in the mandatory section of the *Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW* (the Guidelines).

Notwithstanding the Office's assessment, it remains the responsibility of Council to ensure that the adopted version of the Policy complies with section 252(5) of the *Local Government Act 1993*. It stipulates that "A policy under this section must comply with the provisions of this Act, the regulations and any relevant guidelines issued under section 23A."

The scope of the Office's review of the Policy did not extend to a review of other policies referred to in the policy, such as the Mobile Device Policy. Council should ensure that provisions of any related policies are consistent with the provisions of the *Councillors' Expenses and Facilities Policy*.

As you know, the Office's review of the Policy has not examined the reasonableness of the monetary and support staff limits that have been specified in the Policy. I stress that the merit of these limits is ultimately something that the Council needs to carefully consider. As set out in the Guidelines:

*"It is the responsibility of councils to define and establish in their policies what is reasonable, appropriate, responsible and acceptable based on considerations of what is required to enable councillors to effectively carry out their civic duties and what is acceptable to their communities."*



Council should provide the community with a further opportunity to provide its views on the content of the Policy. It is the Office's view that given there have been substantial changes to the previously exhibited version of the draft Policy, Council should give public notice of its intention to adopt a revised version, allowing at least 28 days for the making of public submissions.

Thank you for your assistance in this matter.

Yours sincerely



**Tim Hurst**  
**Acting Chief Executive**  
**Office of Local Government**

6/6/17