



Members' Entitlements Handbook

First Edition 2011

Department of Parliamentary Services
Members' Services Unit



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Department of Parliamentary Services

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Parliament of New South Wales

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First Edition 2011*

Produced by the Department of Parliamentary Services,
Members' Services Unit

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Chapter 1: The Legislative Framework

This chapter discusses the legislative framework that applies to the entitlements provided to Members and their responsibilities in accessing these. An overview of the Parliamentary Remuneration Act 1989 is provided along with information regarding the Parliamentary Remuneration Tribunal and its Determinations dealing with Members' Entitlements.

The chapter gives an overview of the oversight role of the Independent Commission Against Corruption (ICAC), the functions of the Parliamentary Committees established by the Independent Commission Against Corruption Act 1988 and the Audit Office of NSW. In addition the role of the Parliamentary Ethics Adviser is discussed.

1.1 An overview of the Parliamentary Remuneration Tribunal Act 1989 (as amended)

The Parliamentary Remuneration Act 1989 (the Act) provides a system for the determination of Members' entitlements, salaries and allowances. Part 2, Section 4 of the Act provides that all Members receive a basic salary, which is \$500 less than the salary payable under the law of the Commonwealth to a Member of the House of Representatives. In addition to the basic salary, Members who hold a recognised office receive a further salary component that is a percentage of the base amount for a State Member. Office holders entitled to additional salary and allowances are listed in Schedule 1 of the Act.

There are four parts to the Act.

- Part 1 Preliminary - deals with the purpose of the Act and Definitions
- Part 2 Parliamentary remuneration – deals with the salaries and expense allowances of Members and Recognised Office Holders
- Part 3 Additional entitlements – deals with the establishment of the Parliamentary Remuneration Tribunal and the requirements for the Tribunal to make an annual determination as to Members' additional entitlements (other than salary). Part 3A deals with Members' superannuation entitlements.
- Part 4 Miscellaneous – deals with other issues relevant to the Act

Since its enactment, the Act has had several amendments, the most significant of which occurred in 1998 and resulted in the implementation in 2000 of radical changes to the determination, management and administration of Members' entitlements. The responsibility for administration of entitlements was delegated to the Presiding Officers of the Parliament of NSW.

The 1998 amendments included the following definition for 'parliamentary duties':

Parliamentary duties of a member or recognised officer holder means the duties that attach to the office of a member or recognised office holder, and includes the duties that a member or recognised office holder is ordinarily expected to undertake, including participation in the

activities of recognised political parties, and includes any duties prescribed as being within this definition, but does not include any duties prescribed as being outside this definition.

In addition, the 1998 amendments established the Parliamentary Remuneration Tribunal as a specialist body to deal with parliamentary remuneration and entitlements.

1.2 An overview of the Parliamentary Remuneration Tribunal

The first Parliamentary Remuneration Tribunal was established under the Parliamentary Remuneration Act in 1975. The role of the Tribunal, specified under Part 3 of the 1989 Act, is to make an annual determination on the additional entitlements, or non salary entitlements, that Members or a recognised office holder may be entitled to. These entitlements include allowances for staff, travel, equipment, and support for communications, such as telephones and postage.

The principal functions of the Tribunal are outlined in Section 10 of the Act. Section 10 (1) and (2) of the Act provides that:

1. In making determinations, the Tribunal is to give effect to the following principles:
 - (a) Additional entitlements are to be provided for the purpose of facilitating the efficient performance of the parliamentary duties of Members or recognised office holders
 - (b) Parliamentary duties of Members and recognised office holders include participation in the activities of recognised political parties.
2. Members and recognised office holders are entitled to an electoral allowance and other additional entitlements in accordance with the provisions of applicable determinations of the Tribunal under this Part.

Schedule 2 of the Act requires the Tribunal to consist of a judicial member or a retired judicial member of the Industrial Relations Commission. Annual determinations are made on or before 1 June each year and take effect from 1 July in that year. Each annual determination replaces and supersedes all preceding annual determinations.

In making determinations the Tribunal may invite submissions from recognised office holders, Members, officers of the Legislature, representatives from statutory bodies and government departments, and any other persons. The Tribunal may also hold hearings with relevant parties. The Tribunal is required to invite the Secretary of the Treasury to make submissions to the Tribunal on the financial implications of a determination. Under section 12 of the Act the Tribunal may also be directed by the Premier (who has ministerial responsibility for the Tribunal) to make special determinations of additional entitlements, separate from the annual determination process.

The Tribunal determines the extent of the entitlements and the conditions for their use.¹ In addition to providing the general principles in relation to the purpose and operation of entitlements, the PRT delegates authority to the Presiding Officers to administer entitlements. The Tribunal provides a series of additional entitlements that are paid either as allowances or as fixed allocations.

¹ Under section 17A of the Act the President or the Speaker may request the Tribunal to give a ruling on the interpretation or application of a determination. While determinations are superseded annually, rulings are ongoing and cumulative.

1.2.1 Guiding Principles of the Tribunal

The Tribunal operates under the following guiding principles, set down in May 1999, when making its determinations:

1. *Civility*

The Tribunal takes the position that members will act honourably and do his or her best to abide by the rules.

2. *Clarity*

The Tribunal will endeavour to make determinations that express clear basic concepts with clear practical principles and clear practical rules and conditions.

3. *Accountability*

Claims made by Members should be able to stand up to public scrutiny and should be supported by appropriate formal vouching.

4. *Flexibility*

The Tribunal recognises that some flexibility is needed in its general approach and that one rigid approach is not conducive to the needs of individuals.

5. *Responsibility*

The Tribunal recognises that entitlements established under its Determination involve the expenditure of public monies and states that all money must be incurred responsibly and claimed accountably.

1.2.2 Definitions of ‘Members’ and ‘Approved Relatives’

The Tribunal in its annual determination provides a number of key definitions including the meaning of ‘Members’ and ‘approved relative’. These definitions read in full:

“Member” or “Members” refers to a duly elected Member or Members of the Parliament of New South Wales.

“Approved relative” is a person who meets one of the following criteria:

- Wife or husband of the member.
- A person living in a domestic relationship as defined in the Property Partner (Relationships) Act 1984
- Single or widowed members may nominate a member of their immediate family (parents, siblings, children who are not minors i.e. below 16 years of age) as an approved relative.

Under special circumstances a Member may apply through the Presiding Officers to the Tribunal for an exception to the criteria. This will need to be based on the ability of the Member to meet their parliamentary duties and individual circumstances that apply at the time.

1.2.3 Definition of ‘Parliamentary Duties’

The Tribunal expands on the definition of ‘parliamentary duties’ provided by the Act by establishing guidelines in connection with the meaning of ‘parliamentary duties’ for the purpose of Members’ use of additional entitlements. The PRT guidelines address:

- The scope of parliamentary duties, including listing a range of activities that fall within this definition
- The extent to which the activities of recognised political parties are covered by the definition, including listing a number of activities for which additional entitlements should not be used
- Guidelines for dealing with circumstances involving the intermingling of a Members' parliamentary duties and private activities.

The definition of 'parliamentary duties' is crucial to the appropriate use of Members' entitlements. Every class of additional entitlement described in the Determination is provided as per section 10(1) (a) of the Act 'for the purpose of facilitating the efficient performance of the Parliamentary duties of Members or recognised office holders'.

1.2.4 Guidelines Relating to the Receipt, Use and Operation of Additional Entitlements

There are three guidelines regarding the receipt, use and operation of the additional entitlements:

Guideline 1 - parliamentary duties

The first guideline outlines the circumstances upon which the additional entitlements may be used for parliamentary duties:

- 1.1.1 Activities undertaken in representing the interests of constituents, but excluding activities of a direct electioneering or political campaigning nature;
- 1.1.2 Performing electorate work for a Member's electorate and participation in official and community activities to which the Member is invited because of the Member's status as a Parliamentary representative;
- 1.1.3 Attending and participating in sessions of Parliament;
- 1.1.4 Participation in the activities of Parliamentary committees;
- 1.1.5 Attending Vice-Regal, Parliamentary and State ceremonial functions;
- 1.1.6 Attending State, Commonwealth and Local Government functions;
- 1.1.7 Attending official functions to which a Member is invited because of the Member's status as a Parliamentary representative, e.g. receptions and other community gatherings hosted by Members of the diplomatic corps, educational and religious institutions, community and service organisations, business associations, sporting bodies or other special interest groups;
- 1.1.8 Participation in the activities of recognised political parties, including participation in national, State and regional conferences, branch meetings, electorate council meetings, executive meetings, committee meetings, and meetings of the Members of the Parliamentary political party, its executive and committees;
- 1.1.9 For a member elected to the Parliament as an independent, participation in activities that are reasonable alternatives to participation in the activities of recognised political parties;
- 1.1.10 A Member who is elected to the Parliament as a representative of a recognised political party and who subsequently resigns from that party membership and thereafter sits as an independent member, howsoever described, shall continue to receive the same entitlements as they received as a member of the party prior to resignation and not the additional entitlements provided to elected independents.

The Member is also not entitled to the benefit of the rule in Clause 1.1.9 above;

- 1.1.11 Participation within Australia in the activities of the Commonwealth Parliamentary Association (CPA) as well as activities outside Australia (exclusive of air travel) organised by the Commonwealth Parliamentary Association provided such activities arise directly from Membership of the New South Wales Branch and officially endorsed by the Branch. Members may utilise Frequent Flyer Points which have been accrued as a result of the use of public funds to purchase international flights or obtain an upgrade in seat class in order to attend CPA activities;
- 1.1.12 Participation in a Parliamentary Group such as the Asia Pacific Friendship Group; provided that, such group is approved in writing by the President of the Legislative Council and the Speaker of the Legislative Assembly.

Guideline 2 – activities of recognised political parties

This provision was inserted following an amendment of the Act in 1998. As a result of the 1998 amendments, parties registered under the *Parliamentary Electorates and Elections Act 1912* and included in the register of parties maintained by the Electoral Commissioner, are to be treated as recognised political parties.

As previously noted, in some circumstances Members are able to use their entitlements to aid their involvement in activities of these recognised political parties (see 1.1.8 above).

The Guidelines also identify circumstances where Members are not permitted to use their entitlements for political party purposes, including activities associated with party membership drives and costs associated with election campaigning for an individual member. The Guideline states:

2.2. Additional entitlements should not be used to fund:

- 2.2.1 Activities such as those associated with party Membership drives;
- 2.2.2 Mail distributions for non-electorate or non-Parliamentary activities
- 2.2.3 Costs associated with election campaigning for an individual Member
- 2.2.4 Party fundraising for a Member's own political use and/or other party political members such as the purchase of raffle tickets, raffle prizes or tickets to attend functions etc
- 2.2.5 Costs previously borne by political parties that are not principally related to a Member's Parliamentary or electorate duties
- 2.2.6 Costs associated with pre-selection activities

2.3 The electorate office provided for a Member of the Legislative Assembly is not to be used as an election campaign office.

Guideline 3.1 – intermingling of parliamentary duties

The Tribunal recognises circumstances where some intermingling of parliamentary duties and private activities occurs.

Guideline 3.1 states:

‘Some intermingling of a Member’s parliamentary duties and private activities is, in practical terms, not always easily avoided, but the onus is always on the member to show that any expenditure or any claim for reimbursement relates to Parliamentary duties, or to the Parliamentary duties component of costs incurred for intermingled Parliamentary duties and private purposes.’

Some intermingling may occur with one or more of the following private duties/roles:

- parliamentary duties and personal and or family related duties i.e. where a Member drives from home to Sydney accompanied by a family member
- parliamentary duties and non-allowable political party duties
- parliamentary duties and other business duties, that is, work which is not related to a Member’s work as a parliamentarian
- parliamentary duties and Electioneering/Campaigning.

In assessing any claim involving intermingling of parliamentary duties, the Parliament applies a combination of the following tests:

- principal purpose test
- proportional approach
- reasonable assessment test.

The tests are outlined below to assist members to determine whether to claim or use entitlements where some intermingling has occurred:

1. Principal purpose test

In applying the ‘principal purpose test’ Members should consider what the main or principal purpose of the expenditure is and whether it is appropriate that public funds be expended for that purpose.

For example, attendance at an event which was advertised as a party fund raising event should be considered as the principal purpose for which the Member attended and therefore use of parliamentary entitlements for such a purpose would be inappropriate.

2. Proportional approach

The ‘proportional approach’ involves:

- Members disentangling the costs associated with their parliamentary duties from those incurred for non-parliamentary purposes.
- Determining the proportion of the cost incurred relating to non-parliamentary duties and claiming only that proportion relating to their parliamentary duties.
This approach may be useful in claiming phone, fax or Sydney allowance expenses. For example, where 50% of a member’s mobile phone call costs were for parliamentary duties and 50% were for private or non-parliamentary purposes, the member would incur 50% of the call cost themselves and the LSA would cover the 50% used for parliamentary duties.

3. Reasonable assessment approach

In applying the ‘reasonable assessment approach’ members should consider whether or not any reasonable assessment of their expenditure could invoke public criticism. This has often been referred to as ‘the front page’ of the newspaper test and is explored further in Chapter 5.

Resources that should not be intermingled

There are a number of resources that should not be intermingled under any circumstances. These include:

- parliamentary staff
- parliamentary offices
- stationery
- allowances relating to travel.

Guidelines 3.2 and 3.3 – activities of Members

The Tribunal also outlines that a Member’s parliamentary work and activities within the broader community should be treated as parliamentary duties. The Guidelines read:

3.2 In the case of Parliamentary work, any activities in which a member’s involvement may reasonably be regarded as deriving from the member’s responsibilities as a Parliamentary representative should be treated as Parliamentary duties.

3.3 In the case of a Member’s activities within the broader community outside the Member’s electorate, activities that may reasonably be regarded as deriving from the Member’s status as a Parliamentary representative should be treated as Parliamentary duties.

1.2.5 General Conditions Applying to Additional Entitlements

The Tribunal establishes 11 general conditions that apply to all additional entitlements. The conditions are in addition to any special conditions, specified elsewhere in the Tribunal’s determination that may be attached to the provision of allowances or other benefits.

The application of these Guidelines and Conditions as they relate to specific allowances and fixed allocations are also discussed in Chapters 7, 8 and 9 on Entitlements.

Condition 1 – purchasing policy

All procurement by Members will be in accordance with the Parliament’s purchasing policies.

The Parliament’s policy states that assets equal to or exceeding \$300 in value (excluding GST) purchased by a Member must:

- Remain the property of the Parliament
- Have received prior approval before the purchase was made
- Be purchased in accordance with Government procurement guidelines and using suppliers nominated on the Government contract wherever possible unless a prior arrangement is made for the Member to purchase an item directly.

- Where possible, purchases should be delivered to the Department of Parliamentary Services in the first instance to enable the item to be labelled and registered on the asset management system.

An asset register will be used to record details of custodial assets including LSA equipment and furniture purchases. The register will allow all assets to be tracked over their life and ensures that assets are, purchased, controlled, reviewed and disposed of appropriately. Further information on asset acquisition and disposal is contained in Chapter 6.

Purchases that do not comply with the above conditions may not be reimbursed by the Parliament and the Member may have to meet the cost personally.

Condition 2 – sufficient funds

Members must ensure that they have sufficient funds to meet the costs associated with their parliamentary duties.

The current scheme places the onus on Members to ensure they exercise appropriate financial discipline and manage their affairs within budgets.

To assist Members with tracking expenditure and managing entitlements budgets, customised spreadsheets have been developed and issued to each Member for use by themselves or their staff.

Condition 3, 4, 5 – Logistic Support Allocation

Condition 3 specifies that:

‘Each Member shall have, in addition to payments of the Electoral and Sydney Allowance, an account entitled the ‘Logistic Support Allocation’ which shall cover expenditure in the areas of transport (excepting for electorate to Sydney travel), communications, printing and stationery and office supplies and other purposes related to a member’s Parliamentary duties not specifically excluded by the Parliamentary Remuneration Tribunal, the Parliament’s administration or taxation ruling TR99/10’

Condition 4 states:

‘The Logistic Support Allocation shall be established and maintained by the Executive Manager Parliamentary Services. Members should be advised by the Department of Parliamentary Services each month as to the balance of their Logistic Support Allocation.’

Condition 5 says:

‘Nothing shall prevent the use of the Electoral Allowance for legitimate electorate expenses which might also fall within the categories of expenses covered by the Logistic Support Allocation.’

Details on the use of the LSA are discussed in Chapter 7.

Condition 6 – 60 day rule

Condition 6 says that:

‘All accounts and Members’ claims must be submitted to the Legislature for payment within 60 days of receipt or occurrence of the expense.’

The key principle underlying this condition is that, with the passage of time, it becomes more difficult to resolve any issues arising from claims submitted more than 60 days after the date of expenditure. The NSW Audit Office regularly examines compliance with the 60 day rule. The non-compliance with the 60 day rule has been raised as a key issue of concern in management letters received from the Audit Office.

It is the Parliament's policy to remind Members of their obligations under the Determination and that claims should be submitted in a timely manner. In certain circumstances the Parliament may seek explanation for late submission. Members should be aware that claims may be denied in these circumstances except where the claim could not be submitted within the prescribed period for reasons beyond the control of the member.

Condition 7 – audit of entitlements

In Condition 7 the Tribunal states that:

'All Members' additional entitlements in the nature of fixed allocations and Sydney allowance provided to Members shall be audited annually for compliance. In addition to any internal audit conducted by the Parliament, Members' additional entitlements in the nature of fixed allocations and the Sydney allowance provided to Members shall be the subject of an external audit conducted by the Auditor-General of NSW. The cost of any audit shall be met by the Parliament. Members should ensure they maintain appropriate records of expenditure for the purpose of any audit.'

The Tribunal noted in its report dated 4 December 2002 that:

... it is an essential ingredient of the system of entitlements that Members shall be accountable for public monies claimed under this determination. An important aspect of ensuring accountability is the process of auditing of, for example, fixed allocations ...²

Further information on the role of the Audit Office of NSW is provided in this Chapter. In addition, chapter 5 will address the Parliament's approach to the administration of additional entitlements, including internal audit processes.

Condition 8 – parliamentary duties

Condition 8 notes that:

'Expenditure is only to be incurred in connection with the Parliamentary duties of Members (and in this respect the Member should refer to the guidelines in this determination and those issued by the Parliament).'

Condition 9 – sole use of member

Condition 9 outlines that entitlements are for the member's use only and are non-transferable:

'The various allowances determined here, as well as the Logistic Support Allowance are for the sole use of the member and are not to be transferred to other persons or organisations including members. The Member may use his/her entitlements to meet official costs of the approved relative and/or staff employed by the Parliament when that expenditure is in connection with official Parliamentary duties.'

² Parliamentary Remuneration Tribunal, 4 December 2002

In a ruling dated 24 July 2002, the Parliamentary Remuneration Tribunal advised that ‘... members may use their Electoral Allowance to fund expenditure associated with the cost of printing material on behalf of community groups, however, may not use their Logistic Support Allocation for this purpose’.

Condition 10 – loyalty schemes

Condition 10 concerns the benefits accrued by members:

‘Benefits accrued by a member by way of loyalty/incentive schemes such as frequent flyers, as a consequence of the member using his or her additional entitlements, are to be used only for Parliamentary duties and not for private purposes. Any outstanding benefits of this nature, when the Member ceases to be a Member, are to be forfeited. Members shall be required to complete an annual declaration form provided by the Parliament’s administration at the end of each financial year or within 30 days of ceasing to be a Member declaring that they have not used loyalty/reward benefits accrued through the use of their additional entitlements for non-parliamentary or electorate purposes.’

Condition 11 – Payment of Accounts

Condition 11 states:

‘Payment of accounts relating to the use of a Member’s additional entitlements in the nature of fixed allocations will be paid directly by the Parliament and debited to the Member’s account or paid in the first instance by the Member who would then seek reimbursement from the Parliament.’

1.3 The Independent Commission Against Corruption

The Independent Commission Against Corruption has prepared the following information to help Members fulfil public expectations of trust and service to the community. This information will assist members to:

- Understand the role the ICAC plays in the accountability framework that applies to Members of Parliament, and;
- Provide useful information to constituents about the ICAC.

The Independent Commission Against Corruption (ICAC) is a NSW public sector organisation created by the *Independent Commission Against Corruption Act 1988*. The ICAC’s principal functions are to investigate and prevent corruption in the NSW public sector. Its mission is to build and sustain public sector integrity.

Although a public authority, it is independent of the government of the day, and is accountable to the people of NSW.

1.3.1 The ICAC and the Parliament

Section 122 of the Independent Commission Against Corruption Act 1988 provides that nothing in this Act shall be taken to affect the rights and privileges of Parliament in relation to the freedom of speech, and debates and proceedings, in Parliament.

The Commission is of the view that section 122 specifically preserves the privileges of Parliament

with respect to the freedom of speech and debates and proceedings in Parliament. In the absence of specific statutory authority, it is the Commission's view that it has no power to investigate matters that involve the motivation of Members for the statements they make or questions they may ask in Parliament.

1.3.2 What does the ICAC do?

In order to build and sustain integrity in the NSW public sector, the ICAC:

- Assesses and identifies corruption risks through the analysis of complaints made by individuals and reports made by Chief Executive Officers of public authorities and through research into the nature of corruption risks;
- Investigates corrupt conduct, not just to make findings about individuals, but also to examine the circumstances that allowed the corruption to occur. Recommendations are made and guidance is given to prevent these circumstances recurring;
- Builds corruption resistance by providing advice, information and training to remedy potential or real problems, by:
 - Tailoring solutions to address major risks or assist targeted sectors
 - Working with the public sector to build their capacity to identify and deal with corruption risks.

1.3.3 What should Members know about the ICAC Act?

Both Houses of Parliament adopted Codes of Conduct in 1998. The Code of Conduct is an important document for Members. This is because a serious and substantial breach of the Code of Conduct may constitute corrupt conduct under the ICAC Act.

Therefore, it is in Members' interests that they are familiar with the requirements of the Code of Conduct. In particular, Members should be aware of the requirements of the Code as it relates to the use of Parliamentary resources.

Clause 4 of the Members Code of Conduct reads:

"Members must apply the public resources to which they are granted access according to any guidelines or rules about the use of those resources."

The use of public resources by Members is always a matter of significant public and media interest.

1.3.4 What Guides Members' Access To and Use of Parliamentary Entitlements?

The primary responsibility for guiding Members in their access and use of Parliamentary resources rests with the Parliamentary Remuneration Tribunal (sections 8-14 of the *Parliamentary Remuneration Act, 1989*) and Parliamentary Officers.

The guidelines and rules about the use of resources can be found in:

- This publication
- Parliamentary Remuneration Tribunal determinations
- Parliamentary policies and procedures
- Relevant statutes (eg. *Parliamentary Remuneration Act 1989*).

At times some Members have expressed concern that they have found it difficult to interpret the

rules and guidelines about the use of Parliamentary resources. Whenever there is uncertainty and ambiguity, Members should not rely on their own, or other Members' interpretations. Doing so may expose the Member to considerable risk of breaching the Code of Conduct.

In determining how to act, the following people can be consulted:

- The Presiding Officer of the House
- Clerk of the Parliaments (or other authorised officers)
- Clerk of the Legislative Assembly (or other authorised officers)
- Executive Manager Department of Parliamentary Services
- Parliamentary Ethics Adviser (see contact details following)
- Members' Services staff within the Department of Parliamentary Services

If considered necessary the Presiding Officers may seek a ruling from the Parliamentary Remuneration Tribunal on an interpretation of the conditions and guidelines pertaining to the use of a particular entitlement referred to in the determination (*section 17A Parliamentary Remuneration Act 1989*).

They may also be able to obtain or access professional advice or precedents about the appropriate use of resources.

1.3.5 Information for Your Constituents

What information should be reported to the ICAC?

The ICAC accepts information and complaints in writing, by telephone or by personal interview with an ICAC officer. If you, or a person you are advising, are unsure of whether or not a particular matter should be reported to the ICAC, you can seek advice from an ICAC Assessment Officer by phone.

Members can make representations on behalf of a constituent, or can help the constituent contact the ICAC.

Once a matter has been reported, the ICAC will usually take the matter up directly with the person who originally provided the information, rather than through the Member's office.

The following information in a complaint is helpful:

- The name of the relevant NSW authority or public official
- A clear summary of the alleged corrupt action
- A chronology of events
- Documentation or other information that supports the allegations
- Names of other people who could corroborate the information
- Outline of steps that have been taken to bring the matter to the attention of the authority concerned
- Names of any other agencies that have been contacted about the matter (for example, the police or Ombudsman).

It is not necessary for an individual to attempt to gather "evidence" before reporting a matter to the

ICAC. Complaints however that are found after assessment to be lacking in substance will not be investigated by the ICAC.

What does the ICAC do with the information?

Each matter received at the ICAC is assessed individually to determine the appropriate course of action.

The ICAC Assessment Panel does this work. The Assessment Panel consists of executive members of the ICAC.

For each matter, the panel will consider issues relating to jurisdiction, the seriousness of the complaint, whether it is being or could be adequately handled by another agency and opportunities for identifying serious, substantial or systemic corruption. The panel will then make one of five decisions.

1. Immediate referral or no action by the ICAC

A significant number of matters are best referred to other investigating agencies. Some may be disciplinary matters that do not involve corruption but still should be referred to the agency about which the matter was raised. Other matters are being adequately handled by the agency making the notification. Many other matters simply have nothing to do with corruption and do not warrant any action by the ICAC at all.

2. Request an investigation and report by another agency

If an allegation of corrupt conduct is made about an agency, the ICAC has the power to require that the agency conduct an internal investigation and then report back to the ICAC by a certain date. The ICAC will do this if it is appropriate for the agency to deal with the matter.

3. Preliminary investigation by the ICAC

If the ICAC feels that a matter is worth looking into itself but may not warrant a formal investigation, it will conduct a preliminary investigation. This may lead to the matter not being pursued, referred to another agency, or becoming a formal ICAC investigation.

4. Provide corruption prevention advice

If the matter appears to involve systemic issues rather than allegations of specific corrupt conduct, enquiries may be undertaken in order to give advice about how to stop the problem happening again.

5. Formal investigation by the ICAC

For matters with potential to expose significant and/or systemic corrupt conduct, the ICAC may conduct a formal investigation with a specific scope and purpose, which can involve using powers such as surveillance and hearings (both public and private).

The ICAC must investigate matters referred to it by both Houses of Parliament, but otherwise can make its own decision about whether or not to conduct an investigation.

1.3.6 Contacting the ICAC

To provide information, make an appointment, report a matter or make an enquiry:

Independent Commission Against Corruption
GPO Box 500
Sydney NSW 2001
Phone (02) 8281 5999 or

Toll free 1800 463 909

Fax: (02) 9264 5364

1.4 Parliamentary Committees established by the ICAC Act

The *Independent Commission Against Corruption Act 1988* requires under *Part 7 Parliamentary Joint Committees* that a joint committee of Members of Parliament, to be known as the Committee on the Independent Commission Against Corruption, be appointed.

Committee on the Independent Commission Against Corruption

The Committee on the Independent Commission Against Corruption was established by resolution on 6 April 1989, in accordance with the *Independent Commission Against Corruption Act 1988*. The Committee was re-appointed for the 54th Parliament on 21 June 2007. The Committee is the means by which the Independent Commission Against Corruption (ICAC) is accountable to the Parliament. The Committee monitors and reviews the ICAC's functions, the annual reports of the ICAC, and other reports it makes to Parliament. It also examines trends and changes in corrupt conduct, and practices and methods related to corrupt conduct.

Standing Committee on Parliamentary Privilege and Ethics (Legislative Assembly) and the Privileges Committee (Legislative Council)

In addition, Part 7A Parliamentary Ethical Standards of the *Independent Commission Against Corruption Act 1988*, requires that both Houses of Parliament establish a designated committee to undertake the following functions:

- Prepare a draft code of conduct for members, and any subsequent amendments
- Carry out educative work relating to ethical standards applying to members
- Provide advice in relation to ethical standards in response to any inquiries by the House

To fulfil these functions, the Legislative Assembly established the Standing Committee on Parliamentary Privilege and Ethics. In addition to the above, the Committee considers any matters of privilege referred by the House.

The Legislative Council established the Privileges Committee and as the name suggests considers matters relating to privilege in addition to the functions legislated by the ICAC Act. The Committee also considers citizens rights of reply to statements made about them in the House.

1.5 Parliamentary Ethics Adviser

In 1998 the Legislative Council and the Legislative Assembly resolved to appoint a Parliamentary Ethics Adviser to assist members with ethical issues and concerns.

The role of the Parliamentary Ethics Adviser is to:

- Respond to requests from Members to provide advice on use of entitlements, such as staff, travel, official letterhead or stamp allowances, and on interpretation of rules for use of entitlements
- Provide an independent point of contact for advice on complex matters in relation to exercising the role of a Member of Parliament, such as whether there is potential conflict of interest in particular circumstances.

- Providing advice to Ministers and former Ministers in relation to post-separation employment.

In providing advice, the Parliamentary Ethics Adviser is guided by the Code of Conduct for Members, any determinations of the Parliamentary Remuneration Tribunal, and any other guidelines or policies adopted by the House.

However, the Parliamentary Ethics Adviser is not able to give legal advice and will provide an opinion, as opposed to a ruling. Members must make a decision personally as to whether they adopt the given advice.

The advice provided will be given as quickly as possible as a written opinion, however, complex matters may take considerable research and responses may be delayed until this is undertaken.

The Parliamentary Ethics Adviser is required by the Parliament to keep a record of any advice given in response to a Member's request, and of the factual information on which the advice was based.

These records are kept confidential except in the following circumstances

- The Member who sought the advice gives permission for the advice to be made public, or
- The House requests the records to be provided if the Member has sought to rely on the advice provided by the Parliamentary Ethics Adviser or has given permission for the records to be produced to the House.

The Parliamentary Ethics Adviser will provide an Annual Report to the Parliament that will include the number of ethical matters raised with him and the number of members who sought advice.

The Parliamentary Ethics Adviser will meet annually with the Standing Committee of each House designated for the purpose of Part 7A of the Independent Commission Against Corruption Act 1988.

The Parliamentary Ethics Adviser is a part-time position occupied by Mr Ian Dickson. Mr Dickson can be contacted by:

Phone: 02 4739 4308

Mail: 36 Surveyor Abbot Drive, Glenbrook NSW 2773

1.6 The Audit Office of New South Wales

The NSW Auditor-General is responsible for audits and related services under the *Public Finance and Audit Act 1983*, the *Corporations Act 2001* and other New South Wales Acts. The Auditor-General also provides certain assurance services in respect of Commonwealth grants and payments to the State under Commonwealth legislation.

The Auditor-General forms part of the accountability mechanism whereby the Parliament holds the Government accountable for fulfilling its responsibilities. The Audit Office assists the Auditor-General in satisfying this role.

The Audit Office's core services are:

- *Financial audits*

Financial audits provide independent opinions on NSW government agencies financial reports. They identify whether agencies comply with accounting standards and relevant laws, regulations and government directions.

- *Compliance audits*

Compliance audits seek to confirm that specific legislation, directions and regulations have been adhered to by government agencies. The legislation includes the agency's primary or significant law that is applicable to all agencies (such as the State's Constitution).

- *Performance audits*

Performance audits determine whether an agency is carrying out activities efficiently, economically and in compliance with the law. These audits may review all or part of an agency's operations. Some audits consider particular issues across a number of agencies. Results of these audits are reported to the chief executive officer of the agency concerned, the responsible Minister, the Treasurer and Parliament.

- *Protected Disclosures*

The Office examines allegations of serious and substantial waste of public money under the Protected Disclosures Act 1994. This Act protects public officers ('whistleblowers') when they identify maladministration, corruption, or serious and substantial waste.

All of the Auditor-General's reports are tabled in the Parliament and are also available on the Audit Office's website.

The Audit Office of NSW has prepared the following information to explain the audit process and the intention of the Audit Office of NSW in conducting its audit of members' additional entitlements.

1.6.1 Audit of Members' Additional Entitlements

The Parliamentary Remuneration Tribunal (PRT) makes determinations annually in respect of Members' Additional Entitlements with effect from 1 July each year. The Determination prescribes for the audit of Members' Additional Entitlements. The Audit Office completes the audit in stages throughout the year and reports on the audit results to Parliament.

Members' Additional Entitlements contain certain inherent principles. In particular the scheme places the onus on members to exercise appropriate financial discipline, manage their budgets and be accountable for use of their entitlements.

Members may only use their additional entitlements in respect of their Parliamentary duties with restrictions applying to their use for party political and electioneering purposes.

The PRT has determined that these additional entitlements should not be used to fund:

- Activities such as those associated with party membership drives;
- Mail distributions for non-electorate or non-Parliamentary activities;
- Costs associated with election campaigning for an individual member;

- Party fundraising for a Member's own political use and/or other party political members such as the purchase of raffle tickets, raffle prizes or tickets to attend functions etc and
- Costs previously borne by political parties that are not principally related to a member's Parliamentary or electorate duties.

The Determination anticipates some intermingling of a Member's Parliamentary duties and private activities. But Members must demonstrate that any expenditure or any claim for reimbursement relates only to the Parliamentary duties component of costs incurred.

Because restrictions vary from one allowance to another, and the nature of the allowances varies, the audit evidence also varies from one allowance to another.

1.6.2 Audit procedures

The audit procedures include examination, on a test basis, of evidence supporting individual members' claims.

These procedures are undertaken in order to obtain reasonable assurance that additional entitlements paid to each Member in the form of fixed allocations and the Sydney Allowance comply with the PRT determination.

It is the responsibility of Members to show that the expenditure or any claim for reimbursement relates to Parliamentary duties.

Information acquired by the Audit Office during the audit is subject to strict confidentiality requirements.

Information will not be disclosed to other parties except as required or allowed for by law or professional standards, or with Members' express consent.

The audit files may, however, be subject to review:

- As part of the review conducted pursuant to *section 48A of the Public Finance and Audit Act 1983* which monitors compliance with professional standards by the Auditor-General; or
- By the Audit Office's quality certification auditors to enable the Audit Office to maintain its accreditation under International Quality Standard ISO 9001.

The same strict confidentiality requirements apply to the recipients of the audit files as apply to the Audit Office as the Parliament's auditor.

The Audit Office complies with the provisions of the Privacy and Personnel Information Protection Act 1988.

1.6.3 Contacts

Mr Peter Achterstraat, Auditor-General
Phone: (02) 9275-7101
Email: peter.achterstraat@audit.nsw.gov.au

Mr Tony Whitfield, Deputy Auditor-General
Phone: (02) 9275-7107
E-mail: tony.whitfield@audit.nsw.gov.au

Office contact details:

Level 15

1 Margaret Street

Sydney NSW 2000

GPO Box 12

Sydney NSW 2001

Phone: (02) 9275-7100 Fax: (02) 9275-7200

E-mail: mail@audit.nsw.gov.au

The Director of Audit responsible for audit of the Parliament is Mr Bola Oyetunji.

Chapter 2: Members' Conduct and Private Interests

This chapter provides an overview of the Members' Code of Conduct and Members' responsibilities in regard to the disclosure of pecuniary and other interests.

2.1 An Overview of the Members' Code of Conduct

A Members' Code of Conduct has been in place since May 1998 with the intention of aiding members to discharge their duties in an ethical and transparent way. The full Code of Conduct is available on the Parliament's intranet site. This document is updated as amendments occur. Members and their staff should familiarise themselves with the Code.

A summary of the Code, the preamble and its seven standards of accepted behaviour follows. The Code is prefaced by a statement acknowledging that a Member of Parliament has a responsibility to maintain the public trust by 'performing their duties with honesty and integrity, respecting the law and the institution of Parliament, and using their influence to advance the common good of New South Wales'.

Preamble

The Members of the Legislative Assembly and the Legislative Council have reached agreement on a Code of Conduct which is to apply to all Members of Parliament of New South Wales.

Members of Parliament recognise that they are in a unique position of being responsible to the electorate. The electorate has the right to dismiss them from office at regular elections.

Members of Parliament acknowledge their responsibility to maintain the public trust placed in them by performing their duties with honesty and integrity, respecting the law and the institution of Parliament, and using their influence to advance the common good of the people of New South Wales.

Members of Parliament acknowledge that their principal responsibility in serving as Members is to the people of New South Wales.

The seven individual clauses are:

1. Disclosure of conflict of interest

(a) Members of Parliament must take all reasonable steps to declare any conflict of interest between their private financial interests and decisions in which they participate in the execution of their office.

(b) This may be done through declaring their interests on the Register of Disclosures of the relevant House or through declaring their interest when speaking on the matter in the House or a Committee, or in any other public and appropriate manner.

(c) A conflict of interest does not exist where the Member is only affected as a member of the public or a member of a broad class.

2. Bribery

(a) A Member must not knowingly or improperly promote any matter, vote on any bill or resolution

or ask any question in the Parliament or its Committees in return for any remuneration, fee, payment, reward or benefit in kind, of a private nature, which the member has received, is receiving or expects to receive.

(b) A Member must not knowingly or improperly promote any matter, vote on any bill or resolution or ask any question in the Parliament or its Committees in return for any remuneration, fee, payment, reward or benefit in kind, of a private nature, which any of the following persons has received, is receiving or expects to receive:

- (i) A member of the Member's family;
- (ii) A business associate of the Member; or
- (iii) Any other person or entity from whom the Member expects to receive a financial benefit.

(c) A breach of the prohibition on bribery constitutes a substantial breach of this Code of Conduct.

3. Gifts

(a) Members must declare all gifts and benefits received in connection with their official duties, in accordance with the requirements for the disclosure of pecuniary interests.

(b) Members must not accept gifts that may pose a conflict of interest or which might give the appearance of an attempt to improperly influence the Member in the exercise of his or her duties.

(c) Members may accept political contributions in accordance with part 6 of the Election Funding Act 1981.

4. Use of public resources

Members must apply the public resources to which they are granted access according to any guidelines or rules about the use of those resources.

5. Use of confidential information

Members must not knowingly and improperly use official information, which is not in the public domain, or information obtained in confidence in the course of their Parliamentary duties, for the private benefit of themselves or others.

6. Duties as a Member

It is recognised that some Members are non-aligned and others belong to political parties. Organised parties are a fundamental part of the democratic process and participation in their activities is within the legitimate activities of Members of Parliament.

7. Secondary Employment or engagements

Members must take all reasonable steps to disclose at the start of a Parliamentary debate:

- (a) the identity of any person by whom they are employed or engaged or by whom they were employed or engaged in the last two years (but not if it was before the Member was sworn in as a Member);
- (b) the identity of any client of any such person or any former client who benefited from a Member's services within the previous two years (but not if it was before the Member was sworn in as a Member); and

(c) the nature of the interest held by the person, client or former client in the Parliamentary debate.

This obligation only applies if the Member is aware, or ought to be aware, that the person, client or former client may have an interest in the Parliamentary debate that goes beyond the general interest of the public.

This disclosure obligation does not apply if a Member simply votes on a matter; it will only apply when he or she participates in a debate. If the Member has already disclosed the information in the Member's entry in the pecuniary interest register, he or she is not required to make a further disclosure during the Parliamentary debate.

This resolution has continuing effect unless and until amended or rescinded by resolution of the House.

2.2 Standing Committee on Parliamentary Privilege and Ethics

The Committee on Parliamentary Privilege and Ethics is required to review the Code of Conduct for Members of the Legislative Assembly once every Parliament.

The Committee, which has functions under the ICAC Act, carries out educative work in relation to ethical standards applying to Members of the Legislative Assembly.

Since 2003, the committee also has a role in considering any matters relating to privilege that may be referred to it by the House.

Secretariat: Ronda Miller, Clerk-Assistant (Procedure) and Serjeant-at-Arms phone (02) 9230 2225, fax (02) 9230 2828 E-mail: ethics@parliament.nsw.gov.au

2.3 Privileges Committee

Part 7A Parliamentary Ethical Standards of the Independent Commission Against Corruption Act 1988, requires that both Houses of Parliament establish a designated committee to undertake the following functions:

- Prepare a draft code of conduct for members, and any subsequent amendments
- Carry out educative work relating to ethical standards applying to members
- Provide advice in relation to ethical standards in response to any inquiries by the House

The Legislative Assembly established the Standing Committee on Parliamentary Privilege and Ethics. In addition to the above function, the Committee considers any matters of privilege referred by the House.

The Legislative Council established the Privileges Committee and as the name suggests considers matters relating to privilege in addition to the functions legislated by the ICAC Act. The Committee also considers citizens rights of reply to statements made about them in the House.

2.4 Disclosure of Pecuniary Interests

The *Constitution (Disclosures by Members) Regulation 1983* requires Members of the New South Wales Parliament to disclose their pecuniary and other interests. The intention of this requirement is to assist members to prevent any potential conflict of interest between private and public interests.

Part III of the Regulation specifies that Members must disclose interests in the following categories:

Real property

Members must list all property in which they have a financial or other interest. Details must include the address or particulars of the title of the property and the nature of their 'interest' i.e. joint or sole interest. A member does not need to indicate the names of any joint owners. The monetary value of the property does not have to be disclosed. Members are not required to list properties where their interest is that of a trustee, or executor or administrator of an estate (unless they are a beneficiary).

Sources of income

Members must detail all income derived from sources other than Parliament, including income from being an office holder in another office, income from being an employee of another person, and income from a partnership, trust, contract, agreement or arrangement.

Gifts

Gifts in excess of \$500 must be disclosed. If a member receives multiple gifts from a single source, the aggregate value must be determined and if the total exceeds \$500, a disclosure must be made.

Contributions to travel

Any contributions that exceed \$250 made to travel undertaken domestically and internationally must be disclosed, including contributions made to accommodation incidental to a journey. However, disclosure is not necessary for contributions made from public funds (e.g. members' travel entitlements, gold passes or travel in a government vehicle) or contributions from a Members' relative. Additionally, Members do not need to disclose contributions to travel which arise in the ordinary course of employment of a member outside of their parliamentary duties. Political contributions to travel are also not required to be disclosed in the register if they are required to be disclosed under Part VI of the Election Funding Act 1981. Contributions made by a members' political party for travel undertaken for the purpose of that party do not have to be disclosed.

Interests and positions in corporations

Members must declare interests relating to stocks, shares, debentures and the like. Members are also required to disclose any positions they hold in corporations, including those that are honorary. However, any interest or position held in a corporation that has the purpose of providing recreation or amusement, or to promote commerce, industry art, science, religion or charity do not require disclosure. This extends to corporations which are required to apply profits or income to promote objects, or which is prohibited from paying dividends to members.

Positions in trade unions and professional or business associations

Formal, established and honorary positions must be disclosed, whether or not they attract remuneration. Professional and business associations include those that are established in part or fully to promote the economic interests of members. It is not, however, necessary to disclose ordinary membership.

Debts

Members must disclose all debts over \$500, whether or not it is discharged by the due date of the return. Multiple debts which when aggregated exceed \$500 must also be disclosed. Debts owed to relatives do not need to be disclosed. Debts incurred in the ordinary course of business and payable to a bank, building society, credit society or other person whose ordinary business includes the lending of money do not need to be disclosed. It is also not necessary to disclose debts arising from employment in an occupation which is not related to the members' parliamentary duties.

Dispositions of property

Members must disclose details of any property which they disposed over during the 12 month period ending on 30 June each year, but only if there is any right for them to continue to use or benefit from the property, or if there is a right for them to reacquire the property at some later time. This includes both real estate as well as any other type of property.

Provision of client services

Members must disclose any engagement to provide a service (whether under an employment contract, as an officer of a corporation or by any other contract or agreement for monetary consideration) where the service involves the use of the member's parliamentary position.

In addition, Clause 16 of the Regulation provides that members may disclose in any return, any direct or indirect benefit, advantages or liabilities, whether pecuniary or not, which:

- Are not required to be disclosed under any of the above categories (specified in clauses 8 to 15A), and
- Members consider might appear to raise a conflict between their private interests and public duties as members, or which they otherwise desire to disclose.

2.4.1 Contravention of the pecuniary interests regulation

Section 14A(2) of the *Constitution Act 1902* provides that if a member wilfully contravenes any Regulation made under Section 14A(1) of the *Constitution Act 1902*, including the *Constitution (Disclosure by Members) Regulation 1983*, the relevant House may declare the member's seat vacant.

2.4.2 Other pecuniary interest disclosure/disqualification requirements

Standing Orders

Both Houses of Parliament have Standing Orders that prevent a Member from voting in any division on a question in which the member has a direct pecuniary interest:

Legislative Council Standing Order 113(2) provides:

A Member may not vote in any division on a question in which the member has a direct pecuniary interest, unless it is in common with the general public or it is on a matter of state policy. If a Member does vote, the vote of that Member is to be disallowed.

This standing order only applies to the participation of a Member in a vote on a question in which the Member has a direct pecuniary interest. It does not prevent a Member from participating in a debate on the question.

Legislative Assembly Standing Order 176 provides:

A Member cannot vote on any question in which the Member has a direct pecuniary interest not held

in common with other citizens of the State.

Legislative Assembly Standing Order 177 provides:

A Member's vote may be disallowed by way of substantive motion moved without notice after division is complete, on the grounds of pecuniary interest.

Members should also note that in relation to participation in committee inquiries, both Houses have standing orders preventing participation where the Member has a personal interest.

Legislative Council Standing Order 210(10) provides:

No Member may take part in a committee inquiry where the Member has a pecuniary interest in the inquiry of the committee.

Legislative Assembly Standing Order 276 provides:

A Member shall not sit on a committee if personally interest in the inquiry before the committee.

While the standing orders do not prescribe a wider duty of disclosure beyond the exclusion of members from voting on a question in which they have a direct pecuniary interest, Clause 1 of the Code of Conduct does require Members to declare any conflict of interest whenever it arises in the execution of their office, including in Parliament.

Submission of Disclosure Forms

Members are required to submit disclosure forms twice a year. The Member must lodge returns even if the Member has no interests to disclose.

The Regulation requires the following returns to be made:

- **Primary Return**

Clause 4 of the Regulation prescribes that new Members lodge a Primary Return within 3 months of taking the pledge of loyalty required under Section 12 of the Constitution Act 1902. This return is made on Form 1.

- **Ordinary Return**

Clause 6 of the Regulation requires a Member to lodge an ordinary return before 1 October each year or such other date set by the Regulation. This return is made on Form 2.

- **Supplementary Ordinary Return**

Clause 6A of the Regulation requires a Member to lodge a supplementary ordinary return on or before 31 March each year or such other date set by the Regulation. This return is made on Form 3.

- **Discretionary Return**

Clause 6B of the Regulation allows a Member to make a disclosure at any time using Form 4.

Register of Pecuniary Interests

The Clerk of each House is required under Part 4 of the Constitution (Disclosures by Members) Regulation 1983 to compile and maintain a 'Register of Disclosure by Members' of each respective House. The Register is available for inspection by the public and by members.

The Clerk must table the register with the Presiding Officer within 21 sitting days after the last day for lodgement of primary returns and within 21 sitting days after the last day for lodgement of ordinary returns that form part of the register not previously tabled.

2.4.3 Further Information

A Member is responsible for the detail contained their returns. If you have any concerns or are uncertain about any of the information you are required to disclose, please seek your own legal advice.

Further information on pecuniary interests, including the forms for disclosing pecuniary interests, can be found on the Parliament's [intranet site](#).

Chapter 3: Parliament of NSW Structure

This Chapter provides an overview of the structure of the Parliament of NSW and the three separate Departments that contribute to it. The Chapter also discusses the establishment of the Finance and Members' Services section and provides valuable information regarding services available for Members.

3.1 Parliament of NSW Structure

There are three Departments that provide services to the institution that is the Parliament of NSW:

- The Legislative Assembly
- The Legislative Council
- The Department of Parliamentary Services

Management of Parliament

The operations of Parliament are managed by the 'Chief Executive Officer' of each Department:

- The Clerk of the Legislative Assembly
- The Clerk of the Parliaments (Clerk of the Legislative Council)
- The Executive Manager, Parliamentary Services.

The Chief Executive Officers are the principal advisers to the Presiding Officers on all matters pertaining to the administration of the Parliament.

Each Department provides advice, facilities and services to support the business of the Parliament and to assist Members in the discharge of their duties. The House Departments provide these services to their respective Members. The Department of Parliamentary Services provides these services to all Members and staff members across the Parliament.

3.1.1 Department of the Legislative Assembly

The Department of the Legislative Assembly consists of the officers and employees appointed by the Speaker to serve in the Legislative Assembly.

The Department is divided into four administrative units:

- Office of the Speaker
- Office of the Clerk
- Procedure and Chamber Services
- Committees

The principal role of the Department of the Legislative Assembly is to provide procedural, research and support services to assist Members of the Legislative Assembly in performing their parliamentary duties. The Department is also responsible for the management of 95 Legislative Assembly Members' electorate offices and electorate office staff throughout the State. Clients of the Department include the Speaker, Deputy Speaker and Assistant Speaker, Members and Members' staff, Ministers and Ministers' staff, the Office of the Governor, stakeholders in committee inquiries, and various government agencies.

Services include –

- advice and research to members, staff and the public on parliamentary procedure;
- administrative and procedural support to the House and its committees, including supply of Bills, explanatory memorandum, Acts, reports and regulations;
- preparation of papers and records of the House (i.e. the Votes and Proceedings, the Business Paper, Questions and Answers Paper);
- publication of the records of the House and its committees; and
- provision of information on the activities of the House, the Parliament and committees to: Government departments/agencies, community and special interest groups and the general public.
- management of 95 electorate offices located throughout the State.

3.1.2 Department of the Legislative Council

The Department of the Legislative Council consists of the officers and employees appointed to serve in the Legislative Council. The Department is divided into four administrative units:

- Office of the President
- Office of the Clerk
- Procedure
- Committees

The Department of the Legislative Council provides procedural, advisory, research, training and support services to the House and its Committees. Clients of the Department include the President, Deputy President and Assistant President, Members and Members' staff, Ministers and Ministers' staff, the Office of the Governor, stakeholders in committee inquiries, and various government agencies; interest groups, associations, academic bodies and other organisations that contribute to the political process; the media, school groups and the people of New South Wales.

Services include -

- advice and research on parliamentary procedure;
- procedural, research, analytical and administrative support to committees appointed by the House;
- preparation of documents for use in the House, including business paper, notices of motions and procedural scripts;
- publication of the official records of the House and its committees; and

- provision of information on the activities of the House, the Parliament and committees.

3.1.3 The Department of Parliamentary Services

The role of the Department of Parliamentary Services is to provide high-quality administrative and business support services and resources to the Presiding Officers, Members, employees and visitors to the Parliament in the areas of -

- Parliamentary Facilities: looking after accommodation, and repairs to and maintenance of Parliament House and its annex buildings;
- Security: ensuring the security of Members and staff while on parliamentary premises, and of parliamentary buildings, property and assets; through a contract arrangement with NSW Police Service;
- Car Parking: providing parking areas for Members, staff and visitors;
- Catering: providing food and beverage services, including the Members' dining room and bars; cafe; function catering and room service;
- Finance: providing financial and management accounting services, including members and staff payroll;
- Gardens: caring for the gardens and the grounds of Parliament House;
- Reporting Services: providing reporting, editing and publishing services for the Parliament;
- Human Resources and industrial relations: providing advice to management and staff in all areas of human resources and industrial relations;
- Information Management: providing information technology support to the Parliament, and information resources to the Parliament, staff and members' research staff; through the provision of library, archives and education services;
- Telecommunications: providing telephone switchboard and paging services; and
- Administration of Members Entitlements

Finance and Members' Services

Finance and Members' Services is comprised of two business units:

- Finance
- Members' Services

The Finance Unit is responsible for the provision of financial, accounting and budgeting services for the whole of the Parliament.

The Members' Services Unit is responsible for the administration and processing of Members' entitlements.

The Manager Members' Services will oversight the operation of two teams, Members' Entitlements and Members' Advice, and lead the provision of expertise and guidance in the interpretation of the Parliamentary Remuneration Tribunal (PRT) determinations and rulings, and other policies and legislation, to support Members in the accurate and appropriate utilisation of entitlements.

The Members' Entitlements team will be responsible for processing entitlements for Members and former Members. Team members will identify anomalies and respond to inquiries from Members regarding the claims process. Team members will submit claims to the Finance Unit for reimbursement. The Members' Advice team will provide expertise and advice to Members in relation to their entitlements. Members will be able to draw on the expertise of Members' Advice team members when self-assessing the legitimacy, accuracy and legislative compliance of claims.

The Members' Services Unit will support Members by developing and reviewing policy in response to changes in legislation and entitlements, and to improve services. Staff will deliver education and training programs to Members and their staff to facilitate and promote proper use and access to Members' entitlements.

Chapter 4: Salary, Allowances, Taxation and Superannuation

This chapter provides information about Members' salaries and related benefits. Information relating to superannuation, taxation and personal accident insurance is also included.

4.1 Member's Salaries

The salaries of Members of the NSW Parliament are paid in accordance with the *Parliamentary Remuneration Act 1989*. Section 4 of the Act specifies the basic salary rate payable as the basic salary payable to a private Member of the House of Representatives in Federal Parliament, less \$500.

Members of the Legislative Assembly and the Legislative Council receive the same basic salary, which is currently \$136,140 per annum, effective from 23 August 2010. Adjustments to the salary rates are published on the Parliament's intranet site.

Recognised Office Holders – Additional Salary and Expense Allowances

In addition to the basic salary payable to a private member, Members who hold a recognised office receive additional salary, related to the particular office they hold, and an expense allowance. This additional remuneration is expressed as a percentage of the base salary, as specified in Schedule 1 of the *Parliamentary Remuneration Act 1989*. Schedule 1 is available on the Parliament's intranet site. Current salary and total remuneration rates for Private Members and Office Holders are also available on the intranet and internet.

Members holding two or more recognised office holder positions concurrently are only entitled to payment of one additional office holder salary, calculated at the highest rate applicable for the positions held.

4.2 Electoral Allowance

Members receive an Electoral Allowance, determined by the Parliamentary Remuneration Tribunal each year. This allowance is paid with salary on a monthly basis but it is not treated as salary for superannuation purposes and "Pay As You Go" (PAYG) tax is not deducted at the time of payment, unless specifically requested by the Member.

Payment Details

Member's salaries (including electoral and expense allowances) are paid on a calendar monthly basis in arrears on the last working day of the month.

The amount payable each month is one-twelfth of the annual salary and allowances. Payment of salary and allowances commences on the day of election and ceases on the day of death, resignation, or midnight preceding polling day following expiry of term.

Salary of office and expense allowance payments are paid on and from the day and, if necessary, time of appointment to day and, if necessary, time of ceasing to hold office. Special provisions apply to the

payment of salary of office and expense allowance at General Election time depending on the office held. Separate advice is provided to relevant office holders at that time.

4.3 Taxation

Members' salaries, and expense allowances paid to Recognised Office Holders, are subject to PAYG taxation deductions at the time of payment. As a consequence, Members are required to complete an employment declaration form and supply a tax file number.

Members can arrange for additional taxation deductions to be made from their salary by providing a request in writing to the Payroll Supervisor. Members will receive an annual payment summary (group certificate) at the end of the financial year.

As mentioned above, the Electoral Allowance is not taxed at the time of payment unless requested by the Member. The Australian Taxation Office has granted a withholding tax exemption for this Allowance. The Allowance is included in the annual payment summary issued to Members and any claims made against it are likely to require substantiation by the Member.

Expense allowances paid to recognised office holders are subject to PAYG tax deductions at the time of payment.

The Sydney Allowance paid via the payroll to those Members who elect to receive the allowance annually, is not taxed at the time of payment and is not included on payment summaries at the end of the financial year as the amount for each overnight stay is below the reasonable limit set by the Australian Taxation Office. Members can request details of the amounts paid from the Finance Unit, if they wish to claim living away from home expenses in excess of the allowance paid by the Parliament.

The principal taxation ruling applying to members of Parliament is TR 1999/10 which can be accessed on the Australian Taxation Office website www.ato.gov.au. This ruling provides information on the deductibility of expenses.

The application and interpretation of taxation legislation is complex and Members are advised to seek independent professional advice if they are unsure of any claims and to clarify receipt and record keeping requirements.

4.4 Superannuation

The *Parliamentary Contribution Superannuation Act 1971* provides a superannuation scheme on a contributory basis for Members. The Act was amended in 2005 and related amendments were made to the *Parliamentary Remuneration Act 1989* and the *First State Superannuation Act 1999*.

Members elected at or after the 2007 general election are offered membership to either First State Super or to another complying accumulation superannuation fund or retirement savings account of their choice. A Government contribution to superannuation is deposited into the nominated fund each month.

The Government contribution is calculated as 9% of salary or the maximum contribution base, whichever is the greater. The maximum contribution base is defined in the Commonwealth's Superannuation Guarantee (Administration) Act 1992 and is \$168,880 per annum with effect from 1 July 2010. This amount is adjusted by the Australian Taxation Office at the start of the financial year.

Salary Sacrifice to Superannuation

Members who receive the 9% Government contribution may elect, by notice in writing to the Treasurer, to make additional superannuation contributions by way of salary sacrifice. The election only takes effect when it is approved by the Treasurer and the trustee or administrator of the superannuation fund or account concerned.

The election can be made at any time but only applies in respect to future salary payments. An election can also be varied or revoked at any time by the Member in writing to the Treasurer.

An election to salary sacrifice does not affect the amount that would constitute the salary of a Member for the purposes of calculating government contributions to superannuation.

An election needs to specify the percentage or amount of the Member's basic salary and additional salary (if any) payable to the Member that is to be used to make the additional superannuation contributions. The maximum amount that can be salary sacrificed is not to exceed 50% of the total basic salary and any additional salary of the Member.

If an election is in force, the Member's basic salary and additional salary (if any) is to be reduced by the amount of the salary sacrifice contributions.

Members may elect to have the salary sacrifice contributions made into a different fund or account to that chosen by the Member to receive the 9 per cent Government contributions.

The Parliamentary Contributory Superannuation Fund

The Parliamentary Contributory Superannuation Fund (PCSF) is now closed and is not accepting new members. Members who were sitting Members before the 2007 general election, and former Members who are re-elected to the NSW Parliament after ceasing to be a Member for less than three months, will have their superannuation paid into this Fund.

Trustees

The trustees of the Parliamentary Contributory Superannuation Fund are responsible for the management of the Fund and the exercise of the various powers and discretions provided for in the *Parliamentary Contributory Superannuation Act 1971*.

The Act provides for the appointment of eight trustees: two from the Legislative Council and five from the Legislative Assembly (including a Minister who shall be Chairperson). The Secretary to the Treasury is the eighth trustee.

Fund administration

The Superannuation Administration Corporation of New South Wales, now trading as Pillar Administration, administers the Fund on behalf of the trustees.

The trustees have put in place arrangements for the assets of the Fund to be invested by investment managers in accordance with investment objectives and strategies approved by the trustees. The Trustees receive advice on investment issues from Russell Investment Group Pty Ltd, an independent asset consultant.

The Fund's investment activities are performed by various investment managers appointed by the Trustees.

Defined benefit scheme

The Parliamentary Contributory Superannuation Fund is a defined benefit fund i.e. the benefits are defined by formulas based on salary and service, in comparison to an accumulation style benefit, where all contributions are made by the Member or on behalf of the Member to an account held within the Fund.

Annual statement

Towards the end of each financial year, Pillar issues to Members an Annual Statement containing information about their current Fund benefits and other matters relevant to their superannuation entitlements.

Contributions

Both the Government and Members make contributions to the Fund. Member contributions are made at the rate of 12.5% of salary as a Member of Parliament, Minister or office holder. The government's contribution is actuarially determined and may vary from year to year.

Members who have attained age 65 and 20 years service may elect to cease contributing to the Fund. Where such an election is made and approved by the trustees, the Member's pension will be deferred and calculated as if they had ceased to receive a Parliamentary salary at the time of making that election.

When the deferred pension becomes payable, it will be adjusted to the current basic salary paid to all Members.

Benefits

The list of benefits payable from the Fund can be categorised as follows:

- Pension entitlement
- Lump sum
- Retirement due to ill health
- Benefits where there is no entitlement to a pension
- Death benefits.

These benefits are discussed in more detail below.

PENSION ENTITLEMENT - PCSF

Pension entitlement arises on ceasing to be a Member for any reason after 7 years aggregate service. Exceptions arise through operation of:

- Section 13A of the Constitution Act 1902 which relates to a Member vacating their seat if convicted of an offence punishable by life or imprisonment for 5 years or more or of an infamous crime; or
- Section 19AA of the Parliamentary Contributory Superannuation Act 1971 where a Member has

resigned their seat while relevant serious offence proceedings are pending and the Member is later convicted.

Age restriction

A Member joining the PCSF after 6 December 1999 is not eligible to receive a pension until age 55, or unless the conditions for payment on the grounds of ill health or financial hardship are satisfied.

Rates

The value of the pension is determined through the application of the following formula: Annual rate = $A \times B/C$, where:

A = 48.8% of the current basic salary (ordinary annual salary) as a member, the value of which increases by 0.2% of salary for each month of service in excess of 7 years to a maximum of 80% after 20 years

B = the total salary received during the period of service including additional salary as a Minister or office holder

C = the total basic salary received during the Member's period of service

Annual adjustments

Pensions are adjusted annually to reflect changes in the current basic salary paid to all Members. However, the adjustment is applied to the notional full pension entitlement (without regard to any prior commutation of pension) in the case of Members who were Members of Parliament on 31 January 1990. Members elected after this date receive pension adjustments based on their residual (post-commutation) pension only.

Lump sum

A former Member may commute all or part of a pension entitlement to a lump sum within three months of ceasing to be a Member or in the case of former Members who joined the Fund after 6 December 1999, when their pension is payable from age 55. The rate of conversion is \$10 lump sum for each \$1 per annum of pension commuted.

Lump sum - limitations

If the trustees form a view that a former Member's pension is likely to be terminated or suspended as a result of the recipient becoming a Member of the Commonwealth or any State (including New South Wales) Parliament within 12 months of becoming entitled to such a pension, the trustees shall defer an election to convert part of the pension to a lump sum for a period not exceeding 12 months.

In the meantime the former Member continues to be paid their full pension entitlement. Should this pension be terminated or suspended during the period of deferment, the lump sum election is deemed never to have been made. If the pension is not suspended or terminated during the period of deferment, the lump sum is paid, less the intervening payments of the converted part of the pension.

Retirement - ill health

A pension is payable on retirement, as a result of ill health, prior to seven years aggregate service, subject to:

- the Member having passed a medical examination on entry to the Fund
- the Member providing medical evidence satisfactory to the Trustees relating to the cause of retirement.

No commutation (lump sum) right is available for retirement due to ill health.

No pension - benefits

A former Member who is not entitled to an annual pension from the Parliamentary Contributory Superannuation Fund because they ceased to be a Member prior to completing 7 years aggregate service is, unless they ceased to be a Member because of the operation of section 13A Constitution Act 1902, entitled to a refund of contributions plus a supplementary benefit of:

Where the former Member ceases to be a Member 'involuntarily', i.e. due to non-selection by political party, defeat at an election, resigning or not standing for election for reasons which to the trustees appear to be good and sufficient, or having attained the age of 60 at the time of ceasing to be a Member – two and one third times the amount of that refund; or in certain other circumstances (i.e. 'voluntary' resignation) – one and one-sixth times the amount of that refund.

Death benefits

Death benefits may be payable in the following circumstances:

- Where there is a surviving spouse/partner and/or children (known as reversionary benefits) and;
- Where there are no immediate beneficiaries (as identified above).

SPOUSE/PARTNER/CHILDREN

A pension is payable to a spouse or de facto partner upon the death of:

- a Member; or
- a former Member who was immediately before their death receiving a pension and where the person became the spouse/partner of the former member pensioner before becoming entitled to that pension.

Definitions

The Fund legislation defines a spouse and de facto partner separately, as follows:

A **spouse** is the widow or widower of the deceased Member or former Member pensioner;

A **de facto partner** is a person who at the time of the death of a Member or former Member pensioner, was living with the Member or former Member in a de facto relationship within the meaning of the Property (Relationships) Act 1984. A de facto partner may be a person of either the opposite or same sex as the deceased.

Eligibility

A spouse or de facto partner is eligible if:

- He or she became the spouse/partner of the former Member pensioner after the former Member

pensioner became entitled to pension; and

- The spouse/partner has or had in that marriage or relationship a child, being a child of the former Member pensioner who was:
 - in the opinion of the trustees, wholly or substantially dependent on the former Member at any time during the marriage or relationship; or
 - conceived before and born alive after the death of the former Member.

Full pension

Where a marriage or de facto relationship existed for a period of more than three years immediately before the death of the former Member pensioner, the eligible spouse/partner is entitled to a full pension entitlement.

Partial pension

Where a marriage or relationship existed for less than three years immediately before the death of the former Member pensioner, the pension is reduced on a pro rata basis according to the proportion that the period of the marriage or relationship bears to three years.

Where a spouse/partner becomes entitled to more than one pension as a spouse/partner from the Fund, only one such pension (being the higher or highest such pension) is payable.

Benefits

The calculation of a spouse/de facto partner benefit can differ depending upon the date that the deceased left Parliament.

If a deceased former Member pensioner left Parliament prior to 13 November 1979, then the benefit is the greater of 62.5% of the deceased's full pension entitlement (without reduction for any pension commuted to a lump sum) and 40% of a current Member's basic salary.

If a deceased former Member pensioner left Parliament or a Member dies, on or after 13 November 1979 the benefit is the greater of 75% of the deceased's full pension entitlement (without reduction for any pension commuted to a lump sum) and 45% of a current Member's basic salary.

If a deceased Member has served less than 7 years, the benefit is simply 45% of a current Member's basic salary.

Pension entitlement for children of the deceased Member or former Member under 18 years of age or full-time students under 25 years of age is at the rate of 10% of current basic salary where there is no surviving spouse/partner and 5% where there is a surviving spouse/partner.

MEMBERS' ESTATE

A lump sum is payable to the estate upon the death of a Member who is not survived by a spouse or de facto partner and there is no child pension payable in relation to the deceased. The lump sum is the greater of:

- An amount equal to the Member's contributions plus a supplementary benefit of 2 and one third times the Member's contributions over the last 7 years; or

- The minimum requisite benefit (an actuarially determined amount), less any pension or other benefits that may have previously been paid in relation to the Member.

PRESERVED BENEFITS

Some or all of a Member's benefit may be classified as "preserved" under Commonwealth superannuation standards. A preserved benefit must be retained in the superannuation system until a condition of release is met.

Conditions of release are:

- Death
- Total and permanent invalidity
- Permanent retirement from the workforce between a Member's preservation age and age 60
- Termination of employment from age 60.

Any part of a Member's benefit that exceeds their maximum non-preserved amount is preserved. The maximum non-preserved amount is the amount that could have been taken in cash on 1 July 1999 if the Member had left on that day. The preserved component of a benefit can be taken as a pension at any age provided the Member entered the Fund on or before 6 December 1999.

Members and former Members who joined the Fund after 6 December 1999 cannot receive a pension until age 55 or unless the conditions for payment on the grounds of ill health or financial hardship are satisfied.

Taxation

From 1 July 2007, superannuation benefits paid from the Parliamentary Contributory Superannuation Fund taken either as a pension or lump sum will be tax free for Members aged 60 and over. Members not eligible to claim a tax-free benefit will have their benefits taxed in the following ways:

Pensions

Pensions paid from the Parliamentary Contributory Superannuation Fund are subject to PAYG (pay as you go) income tax less a deductible amount for any unused undeducted contributions i.e. the Member's personal contributions paid into the Fund after 30 June 1983. Between 55 to 59 years of age Members will be eligible to apply for further tax relief through the 15% superannuation pension tax offset.

Lump sum

A lump sum superannuation benefit payable from 1 July 2007, will comprise two components:

- Tax free component; and
- Taxable component.

The tax-free component will comprise a Member's pre-July 1983 component, post-June 1994 invalidity component (if applicable) and undeducted contributions.

The taxed component will be tax free up to a low rate threshold and taxed at a maximum rate of 15 per cent above the threshold. For those aged under 55, this component will be taxed at a maximum rate of 20 per cent.

The low rate threshold was set at \$140,000 on 1 July 2007 and indexed to Average Weekly Ordinary Times Earnings (AWOTE) in \$5,000 amounts. The low rate threshold for the 2008-2009 year is \$145,000.

Death benefits

Lump sum death benefits paid direct to a dependant of a deceased Member are tax exempt. Where the payment of a benefit is made to the estate of a deceased Member, no tax will be deducted by the Fund administrator. However, tax may be payable by the estate if a beneficiary was not a dependant of the deceased.

The taxable component of a lump sum paid to a non-dependant will be taxed at 15 per cent.

The taxation of a death benefit paid as a pension depends on the age of the former Member and the reversionary beneficiary. If the former Member was aged 60 or over at the time of death, then payments to the reversionary beneficiary will be tax exempt.

If the former Member was under age 60 at the time of death, the pension will continue to be taxed at the reversionary beneficiary's marginal tax rate (less any deductible amount and pension tax offset) unless or until, the reversionary beneficiary is aged 60 or over, in which case it will be tax exempt.

Superannuation Contributions Surcharge Tax

The PCSF is classified by the Australian Taxation Office (ATO) as an unfunded defined benefits superannuation fund. This means that the superannuation contributions surcharge tax that a Member has accrued is not required to be paid by the Fund until the Member commences to receive a benefit. However, Members may make payments to reduce their surcharge liability at any time.

The liability attracts interest each year at the Commonwealth 10 year Treasury bond rate. The balance of a Member's surcharge liability at 30 June each year is charged a full year's interest.

When a Member leaves Parliament, any remaining surcharge liability may be met by a direct payment or by having their benefit reduced (by an actuarially calculated amount if the benefit is taken as a pension).

NSW legislation provides for a maximum amount (known as a surcharge 'cap') by which a Member's benefit can be reduced or which can be paid directly by the Member, to offset the surcharge debt. This 'cap' is based on the maximum surcharge rate: 15% to 30 June 2003, reducing to 14.5% from 1 July 2003, 12.5% from 1 July 2004 and 0% from 1 July 2005. The amount of surcharge liability above that 'cap' is payable by the Fund.

Surcharge tax was abolished from 1 July 2005. This means that surcharge tax is not payable on employer contributions made or accruing on or after this date. However, any surcharge liability that a Member has in respect of surchargeable contributions that were paid or accrued prior to 1 July 2005 is still required to be paid.

Service in Other Parliaments

This section provides Members with guidance about recognition of service in the following situations:

- Service in both Houses of NSW Parliament
- Service with another Parliament.

Both Houses - NSW

Pensions and other benefits are payable in respect of a Member who has served in both Houses of Parliament in the same circumstances as for Members who have served in only one House, taking into account the Member's service in both Houses.

Another Parliament

A pension from the Fund is suspended while the beneficiary is a Member of the Commonwealth Parliament or another State Parliament. A pension continues to be payable to former Members who accept office or hold a place of profit under the Crown.

A pension from the Fund may also be suspended or reduced where the beneficiary receives a pension from another Parliamentary fund. However, the NSW pension is generally not subject to suspension or reduction where the other pension is a Commonwealth Parliamentary pension which commenced to be paid after 1 July 1994 (this exemption does not apply where the person is in receipt of a spouse's pension payable in consequence of the death of a Member or former Member of the Commonwealth Parliament, whose membership of that Parliament ceased before 1 July 1994).

Re-election to the NSW Parliament

A pension ceases to be paid when a former Member has been re-elected to the NSW Parliament and will re-commence once the new period of service ends.

If the Member is re-elected to Parliament after a break of more than three months from Parliament, then future superannuation contributions will be paid at the rate of 9% of 'salary' into First State Super or another complying accumulation superannuation fund or Retirement Savings Account of the Member's choice.

Further information

Given the complexity of the issues surrounding superannuation, Members are again encouraged to seek independent advice to ensure that they are conversant, and comply, with the requirements outlined.

Members have two courses of action available to them:

- Seeking independent financial advice.
- Seeking advice from the fund administrator.

If Members require further information regarding the Parliamentary Contributory Superannuation Fund they should contact:

PCSF Administration Manager
Pillar Administration
GPO Box 3887
Sydney NSW 2001
Phone: (02) 4298 6980
Fax: (02) 4298 6467
(Monday to Friday from 9:00 am to 5:00 pm)
pcsf_admin@pillar.com.au

4.5 Personal Accident Insurance

Members are provided with 24-hour a day personal accident insurance cover through the NSW Treasury Managed Fund for activities relating to their electorate and Parliamentary duties.

Consequently Members need to satisfy the Treasury Managed Fund, and if subject to dispute, the Treasurer, that they were “on duty” at the time of the accident.

There are no specific exclusions from the current personal accident coverage, provided the “on-duty” or “on business” element applies.

Limitations

The level of coverage provided under this policy is equivalent to that payable under current workers’ compensation legislation.

The specific amount payable is dependent on the nature and extent of the injuries sustained.

Having regard to coverage being provided for Parliamentary and electorate duties only, Members may wish to arrange their own personal accident insurance cover for their non-Parliamentary or private activities.

Members wishing to lodge a claim or obtain clarification of coverage provided should contact the Financial Controller on (02) 9230 2292.

Chapter 5: Management Approach to Additional Entitlements Administration

This chapter provides information about the Parliament's approach to the administration of additional entitlements. It provides an overview of the findings and recommendations of the Internal Audit Bureau (IAB) Services review conducted in 2008. It details the adoption of a risk management approach to Members' entitlements and a re-focus on the accountability of Members in assessing and claiming entitlements.

5.1 IAB Services Review of the Management of Members's Entitlements

The administration of Members' entitlements became increasingly complex and resource consuming following the major changes that were made to Members' entitlements by the Parliamentary Remuneration Tribunal with effect from 31 December 2000. The workload for both staff and Members in administering and claiming entitlements was overly demanding. In order to identify inefficiencies and recommend improvements, Internal Audit Bureau Services (IAB) was commissioned to review the management and administration arrangements of the existing system.

In conducting its review, the IAB focussed on the management of Members' entitlements as defined by the Parliamentary Remuneration Tribunal (PRT), in particular the Logistic Support Allocation (LSA), Sydney Allowance (SA), Electorate Mailout Account (EMA) for Legislative Assembly Members only, Electorate/Home to Sydney travel, Committee Allowance, Additional Temporary Staff Allowance (ATS), and Electorate Charter Transport Allowance (for Legislative Assembly Members only).

5.1.1 Findings and Recommendations

Following extensive consultation with relevant parties, the IAB presented a report to the Presiding Officers in December 2008¹, which included the following findings:

- **Accountability**

Members are individually accountable for compliance with the *Parliamentary Remuneration Act 1989* and for the accuracy and legitimacy of each claim. The Parliamentary Remuneration Determination states:

'...the onus is always on the Member to show that any expenditure or any claim for reimbursement relates to Parliamentary duties.'

By signing each claim form, the Member is certifying their accountability and this cannot be delegated.

However, over time employees involved in processing Members' claims have assumed an unrealistic and unreasonable level of accountability for preventing any non-compliance. This has resulted in intense scrutiny and investigation of claims, which in turn has contributed to slower processing times, and more significantly, a reversal of the onus of accountability from Members, where it should be, to staff Members.

¹ Report entitled "Management of Members' Entitlements" dated December 2008

The IAB report recommended that staff should provide efficient processing services and only challenge those claims that were obviously incorrect. The increased scrutiny should be reserved to support a strong audit program.

- **Risk Management**

The IAB report identified a definite need for a risk management approach to entitlements administration. The existing culture needs to be shifted from one of intense scrutiny by employees to one where Members' are individually accountable.

- **Centralisation of services**

Many services provided for the administration of Members' entitlements have been duplicated and real or potential inconsistencies could be removed by combining the administration into one unit to provide services for Members from both Houses. The services provided to Members would include claims processing but there would be increased focus on awareness raising, training and education, and providing support systems so that Members can self assess and take accountability for decisions.

- **Audit program**

The current process of checking nearly 100% of all claims was inefficient. High levels of scrutiny should be reserved for higher risk areas only. Instead of checking almost every claim, a rigorous program of internal and external audit should be introduced.

Overall, the review found that significant improvements could be made by addressing the issues of accountability and over-scrutiny of claim forms, introducing a risk management approach to claims administration, centralising services for Members into one unit, and refocusing the services provided.

5.1.2 A new approach approved

The Presiding Officers accepted the findings and recommendations detailed in the report and as result many changes to the administration of Members' entitlements were scheduled for implementation in 2009.

Benefits

The new approach to the administration of Members' entitlements provides the following benefits:

- Accountability is with the member and this is consistent with the *Parliamentary Remuneration Act 1989*
- Increased flexibility through the removal of the requirement to provide unnecessary paperwork with claims submitted for payment, leading to faster processing times
- Increased emphasis on education, system support and expert and consistent advice
- Availability of up to date information on allowances and balances
- Increased accountability through a rigorous internal and external audit program.

5.2 Risk Management and Reasonable Assessment

Parliament has adopted a risk management approach to the administration of entitlements. The resources previously used to closely scrutinise all returns are now allocated to providing efficient processing, expert advice, training and education, and provision of systems to support Members to manage and take accountability for claims. In addition, a structured internal audit program is in place (see below).

5.2.1 Members' obligations

The move to a new self assessment regime requires Members to acknowledge their legislative responsibility in using and claiming additional entitlements and to accept full accountability in regard to the decisions they make regarding those entitlements.

Members are obliged to:

- Manage the funds that they are provided with to efficiently discharge their public duties and be able to demonstrate that any expenditure or any claim for reimbursement relates to Parliamentary duties. To this end, specialised spreadsheets are available to assist in tracking expenditure. Members should reconcile finances and raise areas of dispute to avoid over expenditure of entitlements. The monthly finance report provided by Finance and Members' Services should be used to assist with this process.
- In using the funds, comply with the Parliamentary Remuneration Act, the Parliamentary Remuneration Tribunal Determination and all related policies and guidelines detailed in this Handbook and published on the Parliament's intranet.
- Submit claims for payment to Finance and Members' Services within 60 days of receipt or occurrence of the expense
- Maintain the expenditure tracking spreadsheet provided or use other record keeping systems as a resource to
- Retain financial documentation, including receipts and explanatory note and ensure that it is up to date and accessible. Copies of all documentation and claim forms sent to Finance and Members' Services should also be retained by each Member.
- Use the resources provided (Members' Services, the Entitlements Handbook, Determination, Parliamentary Ethics Adviser, intranet policies and guidelines) to inform your decision making processes
- Participate in the audit process by cooperating with staff and auditors and providing access to the necessary documentation.

In accordance with the self assessment model, entitlement claims will only be subject to a high level review by Members' Services staff at the time of processing. Further reviews of entitlement use are likely to follow through both internal and external audit reviews. Members should therefore ensure they retain supporting documentation to substantiate entitlement claims made.

5.2.2 Reasonable Assessment

When using an entitlement, Members will need to make an assessment using the available resources, including this Handbook, the PRT Determinations, the Members Code of Conduct and other policies

to determine if the use, and any subsequent claim, is legitimate. Using the 'reasonable assessment' approach can assist this process.

The 'reasonable assessment' approach proposes that a member consider whether or not any reasonable assessment of their expenditure could invoke public criticism. This is also referred to as 'the front page' of the newspaper test.

Members need to assess right versus wrong issues. In making this assessment there are four tests to consider:

1. Legal test – is the use of the entitlement illegal?
2. Stench test – does the whole thing stink, intuitively and viscerally?
3. Front page test – how would it feel if every detail of the decision showed up in tomorrow's newspaper?
4. Mum test – what would someone you respect i.e. your mother, do in your shoes?

If there is argument on either side, and the decision could be swayed either way, a right versus wrong dilemma exists.

5.2.3 Risk Management Approach

In addition to the above assessment, it is recommended that Members adopt a similar approach to risk assessment as that previously developed for Federal Members of Parliament. This approach requires the member to make an assessment of each claim using the risk assessment matrix shown below.

Is it within the rules?	How would it look? Is it defensible?	What is the overall risk assessment?
Clearly yes	Fully defensible	Low risk
Technically yes	Some difficulty in defending publicly	Medium risk
Arguably yes	May/would attract criticism	High risk
Clearly no	Would certainly attract criticism	Unsafe/unlawful

5.2.4 A Consistent Approach

The Finance and Members' Services section will provide a single point of reference for Members seeking advice and assessment of claims. This single service point will minimise the level of duplication previously encountered when there were two service areas, which in turn could result in inconsistency in decisions, policies and processes.

In addition, a centralised database has been established to identify matters where decisions made by each House in the past have differed and a consistent position has now been determined and implemented.

5.2.5 Claim forms

Members are accountable for every decision and when signing a claim form the Member is required to certify:

- The expenditure was in accordance with the current PRT determination, is in accordance with the guidelines in the Member's Entitlements Handbook and has not been used for direct electioneering or political campaigning
- That adequate documentation to support the claim is held by the Member and it will be produced for audit when required.

The claim forms used by Parliament require a Member to sign a certification that confirms the above requirements have been complied with.

Members have a responsibility under the determination to only claim entitlements that have been expended in the discharge of Parliamentary duties. Members are also responsible for ensuring they have adequate funds available for a claim to be processed.

5.2.6 Substantiation

When submitting claims for most entitlements, Members must retain any supporting documentation. This may need to be presented for audit purposes. However, Members are still required to forward original tax invoices with claim forms to Members' Services.

Claims for the Sydney Allowance will continue to require substantiation (See Chapter 7 for further information regarding the Sydney Allowance and substantiation requirements).

5.3 Resources to Assist Members

5.3.1 Finance and Members' Services

Finance and Members' Services is comprised of two business units:

- Finance
- Members' Services

The Finance Unit is responsible for the provision of financial, accounting, and budgeting services for the whole of the Parliament.

The Members' Services Unit is responsible for the administration and processing of Members' entitlements.

In addition, the Manager, Members' Services leads the provision of expertise and guidance in the interpretation of the Parliamentary Remuneration Tribunal (PRT) determinations and rulings, and other policies and legislation, to support Members in making the decision about reasonableness of claims and expenses. Advice may be provided in relation to whether a claim is appropriate or not. The advice will be provided to assist the Member to make a self-assessment and the final decision will always rest with the Member.

Request for advice on more complicated matters should be made in writing (preferably by email) and a written response will be provided.

The Members' Services Unit will support Members by developing and reviewing entitlements policy and through the delivery of education and training programs to Members and their staff.

The Members' Entitlement Handbook

The Handbook will be provided in electronic format only. Updates will be available on the intranet and Members will be notified of any changes by memorandum and/or email.

Induction and Information Sessions

Information sessions for Members and their staff will be conducted regularly to inform Members of their entitlements and accountabilities.

A special purpose induction session covering allowances, individual accountabilities and risk management will be conducted 2-3 months after Members are elected.

Expenditure Tracking Spreadsheets

Members are provided with individual spreadsheets that enable them to access real time and close to accurate information about expenditure of entitlements. Separate spreadsheets are provided for the Logistic Support Allocation, the Electoral Mailout Account and Additional Temporary Staff annually.

Members, and their staff, will be responsible for providing the data to keep the spreadsheets up to date and relevant. If used properly, the spreadsheets should inform Members if they have sufficient funds before they lodge further claims. Members and their staff can be provided with Excel training if needed. A help desk service is available to assist Members to use this technology in managing their claims and monitoring expenditure.

Monthly Report

A monthly report of entitlement expenditure is issued by Members' Services to Members. The reports are distributed electronically and contain information regarding individual financial records. The reports will reflect the allocated yearly budget, expenditure for the current month, year to date expenditure and remaining funds available. Members should use the monthly reports to reconcile information on their spreadsheets. Any discrepancies should be raised with Members' Services

Pre-filled Claim Forms

Claim forms for individual entitlements must be completed by Members for each claim against expenditure. The forms include certain standard information to minimise errors and reduce processing time. Members are required to personally sign each claim form.

5.3.2 Credit Cards

A trial was conducted involving a selected group of Members who volunteered to use a Parliamentary credit card to pay for goods or services purchased for the purpose of performing their parliamentary duties. As the outcome of the trial was positive, the Parliament intends to make credit cards available to Members who request them to assist with making purchases.

Availability

Members will be advised when the necessary administrative arrangements have been finalised and implemented to enable a roll out of credit cards to any Member who may wish to be issued with one. Some of the benefits of using a credit card and some draft procedures for their issue and use are detailed below.

Benefits

The adoption of a credit card system reduces the number of small value claims currently processed by Finance and Members' Services

Other benefits of adopting a Members' credit card system include:

- Costs are met directly from allocated entitlement funding
- Elimination of payment delays to suppliers
- Minor expenditure claims centrally recorded
- Reduction in the number of claim forms required.

The current parameters and conditions pertaining to the use of credit cards are detailed below.

Draft procedure to be followed to obtain a credit card

Credit cards will be issued through the Finance and Members' Services section. The usual identification requirements of 100 points of verifiable documentation, as per banking regulations, will be required before a credit card can be issued.

The Credit Card will be issued in the name of the Member and NSW Parliament, and will need to be personally collected from Members' Services and signed with a specimen signature. The credit card number is confidential and all expenditure on the card must be authorised by the member.

The Member will need to sign a register verifying issue and sign the Cardholders' Responsibilities schedule that they have received a copy of and understood the policy and procedures related to the issue of the credit card

Credit cards will be issued in accordance with the NSW Government banking contract, which currently provides for the issue of a Westpac Banking Corporation Mastercard.

A booklet outlining Westpac's conditions of use will also be provided on collection of the credit card.

Credit Card Limit

Credit cards will be issued with a transaction limit of \$6000 per month.

The use of the credit card will be subject to the member having sufficient funds to cover any planned expenditure. A Members' credit card limit may be reduced as a result of insufficient funds remaining against allocated allowances. Any adjustment to credit limit will be advised in writing to the member concerned.

Any over expenditure of the Parliamentary allowances as a result of credit card usage will require the member to repay the over expended amount plus GST within 14 days.

Credit Card Usage

Credit cards are only to be used for official expenses, the cost of which will be debited against the Members' relevant parliamentary allowance as outlined in the PRT Determination except for private vehicle mileage expenses (as mileage is reimbursed on a cents per km basis and processed through the payroll in accordance with the Australian Taxation Office guidelines - see below).

To enable costs to be met through the parliamentary allowances, all credit card purchases must qualify and comply with the implemented expenditure and usage guidelines as outlined in this Handbook and the PRT Determination.

Restrictions applying to the use of credit cards

Credit cards cannot be used where alternate non-Parliamentary budgets are provided eg: Ministerial, Leader of the Opposition, political parties.

The credit card cannot be used for private vehicle expenses as these claims are paid on a cents per kilometre rate, which is paid through the payroll system as per Australian Taxation Office guidelines. As a result, petrol expenses cannot be paid for with the Parliament's official credit card, as this cost is included as a component in the kilometre rate reimbursed.

To date, credit cards have been limited for use with selected merchant categories that are relevant to official parliamentary business purposes. The following merchant categories have been excluded from use:

AE	Auto Expenses	
BE	Business Expenses	Includes trade/general contractors
CF	Cash at Branches	
MD	Medical Expenses	
CT	Cash at ATMs	
PE	Personal Expenses	Includes clothing, hairdressers, cleaning, counselling services
ES	Education Expenses	
FS	Financial Services	Includes accounting, court costs, fines
PS	Professional Services	Includes legal, child care services

Under no circumstances are the cards to be used for private purchases. Where official business expenditure charged to the credit card includes a private component, eg home telephone accounts, the private expense component will be invoiced to the Member. Where possible, use of the official credit card for private/official intermingled transactions should be avoided.

Members must authorise all transactions charged to the credit card, including expenditure incurred by the member's staff under the member's instructions. Supplementary cards are not available.

The credit card number is to be kept confidential and is not to be given or quoted for use by any other person except in relation to official expenses, eg Internet purchases, telephone payments.

Credit cards are not available for cash advances, ATM use or transferring of funds. As such, no password or PIN number will be assigned.

Credit cards will not attract benefits under loyalty programs, such as Frequent Flyer points. Credit cards are not activated for use while overseas. Credit cards are not to be used to meet the cost of entertainment. Credit cards must not be used for the payment of tips, gratuities or donations.

Use of Credit Cards on the Internet

Members' may use their corporate credit card for the purchases of goods or services over the Internet

subject to the following:

- Sufficient documentation is kept relating to the transaction to justify any expenditure claims showing the transaction or payment number as a reference plus a Australian Business Number (ABN) and tax invoice is provided if the purchase cost exceeds \$75 and the goods or service provider is within Australia. Most reputable organisations will email a confirmation of the order received. Details of the actual email address used to purchase the goods or services is also required to be retained, to facilitate subsequent queries plus for internal control and audit purposes.
- Care is to be taken to ensure who the member is dealing with and that the supplier is a reputable company/organisation with a proven track record. Where possible contact the provider prior to the transaction to confirm their credentials, if any doubt exists do not use that provider.
- Do not email your credit card number to any provider.
- When using the Internet for purchases, look for a padlock site or a solid key in the status bar at the bottom of the window to indicate you are on a secure page. These symbols mean the information you are sending is encrypted and cannot be read by other Internet users.
- Secure site address boxes should start with https:// and not http://. Sites that start with https:// have an added encrypted transaction layer.
- Do not click on pop-up windows when making payment or go to different links on the site.

Purchasing and return policies of the service provider are to be read prior to confirming the transaction. Ideally the website should cover delivery methods and costs, currency accepted, return and refund policies any taxes that are applied plus telephone number or email address.

When the statement is received, the transaction is to be checked by the Member, to ensure that the correct amount has been debited as per the Member's records as at the time of purchase.

Accountability

Members' holding a Parliament of NSW corporate credit card are in a position of trust in regard to the use of public funds and will be personally accountable for all expenditure charged to it.

Improper use of that trust may render the cardholder liable to undergo a process of investigation with the transgression reported to the NSW Treasury, Audit Office of NSW, NSW Police and Independent Commission Against Corruption (ICAC) as appropriate.

Expenditure by corporate credit card will be monitored on a regular basis by the Finance Unit and be subject to audit review, for compliance with guidelines.

In the event that a credit card is used for unofficial purposes, the Member is required to provide explanatory advice and reimburse the Parliament immediately. Alternatively, payment will be deducted from subsequent reimbursements owed to the member.

Continued inappropriate use of the credit card will result in cancellation or suspension of the credit card and the member may be subject to investigation.

Documentation to be obtained for credit card transactions

An itemised account, in the form of a tax invoice, in addition to the credit card voucher slip is to be

obtained from the service provider on each occasion the credit card is used. For example, a newsagent's account, in the form of a tax invoice, itemising individual purchases would be accompanied with the payment receipt and attached to the monthly statement

Payment Cycle, Reconciliation and Recording of Expenditure

Credit card statements for each Member are received by the Finance Unit in the last week of the month for transactions made in the month since the last statement was issued.

Members are allocated a period of 14 days in which to reconcile original tax invoices/receipts and accounts to the credit card statement to substantiate individual transactions. A brief description of the items/services provided should be noted on the statement itself alongside each transaction or on the relevant tax invoice. Individual costs should be aggregated per allowance category and noted on the claim form.

Statements not returned within 21 days may result in suspension of the credit card, unless an extension is granted by the Director, Finance.

Prior to receipt of the reconciled monthly credit card statement from each Member, the expenditure charged to the Members card is recorded by the Finance Unit against the Member's entitlement account in total pending subsequent disbursement to expenditure line items.

The reconciled credit card statement together with the original tax invoices and completed reconciliation form is forwarded for processing to the Finance Unit. A copy of the reconciled statement and tax invoices should be kept by the Member for their records and for audit purposes.

Upon receipt of the reconciled credit card statement the expenditure incurred will be dispersed to the relevant expenditure line items. The reconciliation form will indicate the relevant parliamentary allowance that the expenditure is to be debited against.

If the original tax invoice cannot be located to attach to the credit card statement then it is the responsibility of the Member to obtain a copy from the service provider. Such occurrences are expected to be rare and not ongoing and Members should keep records of action taken to request copies of the original.

Disputes between the original billing documents or invoices and entries on the card statement must be reported in writing to the Director, Finance who will contact the credit card provider and commence the dispute resolution process. Notification of such disputes is required at the same time as reconciling each month's credit card statement.

Members should note that the full credit limit is restored at the end of the month when the value of the transactions is debited to the Parliament's bank account.

Payment Cycle

Event	Time frame
Statement issued by Westpac to the Parliament	20th of each month
Statement sent to a Member for reconciliation following receipt from Westpac	
Member reconciliation	To be completed within 14 days of receipt of statement
Bank restores credit to card	14 days after statement issue date

Suspension	If reconciliation not received within 21 days from date of issue of statement and reconciliation request by Members' Services
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Lost, Stolen or Damaged Cards

As soon as the loss or theft of a credit card has been discovered it is to be reported immediately to the Westpac credit card centre. Contact details for customer service are: Ph: 1300 650 107 during business hours or Ph: 1300 651 089 after business hours

Overseas loss or theft is to be reported by booking a reverse charge call with the operator to Australia on 61 2 9374 7082. NOTE: It is recommended that Members do not take the card overseas as it is not activated for use outside of Australia.

The Westpac customer service centre can arrange for a replacement card to be issued within 6-7 working days. The loss or theft is also to be reported in writing to the Director, Finance, on the same or next working day, if loss is outside business hours.

In the event of the card being stolen, the theft is to be reported to the nearest Police Station or Police Assistance Line (131 444) immediately by the Member. The Police Service will assign an event number, which is to be advised to the Finance Unit for recording and insurance purposes if required.

Please note any delay in reporting the loss or theft may result in the Parliament incurring the cost of unauthorised transactions and result in a fraud investigation at which the Member will be required to explain why the loss or theft was not reported.

A damaged card can be replaced by returning it to the Finance Unit. A new card will then be ordered, which will take between six and seven days to issue.

Return of Credit Cards

When returning a credit card to the Finance Unit the credit card register is to be signed and dated as acknowledgement that the card has been returned, this should be done in the presence of the Member where practical.

Parliament supplied credit cards must be returned to the Finance Unit for cancellation when a Member no longer holds office.

The Member must acquit all expenditure on their corporate credit card within 14 days of their last day as a Member of Parliament. The Finance Unit will arrange a final statement to establish the balance of the card prior to completing the acquittal.

The Member must obtain a clearance from the Finance Unit that all transactions have been properly acquitted including appropriate documentation and receipts up to the last day of duty.

Further information

Please contact one of the following staff Members in either Finance or Members' Services for further information regarding access and use of credit cards:

Jan Mullin (02) 9230 2815 (Finance)

Lucy Gonano (02) 9230 2227 (Members' Services)

5.3.3 Other Resources

Members and their staff should familiarise themselves with the content of this handbook, policies and guidelines on the intranet, the PRT Determination and the Members' Code of Conduct.

The Parliamentary Ethics Adviser is also available provide advice on use of entitlements, and on interpretation of rules for use of entitlements (see Chapter 1).

5.4 Audits

A rigorous internal audit program has been introduced from 1 July 2009 to complement the new risk management approach to the administration of Members' entitlements and the corresponding decrease in the scrutinisation of claims as they are submitted.

The Audit Office will continue to conduct an annual audit as prescribed by the Parliamentary Remuneration Tribunal (PRT) Determination. The Audit Office completes the audit in stages throughout the year and reports on the audit results to Parliament (see Chapter 1 for more information about the Audit Office and the scope of the external audit).

As well as the external audit conducted by the Audit Office, random internal audits will be conducted throughout the year whereby approximately 25 percent of all Members will be subject to audit by the Parliament's internal auditors. [Deloitte Touche Tohmatsu have been appointed Parliament's internal auditor for the period August 2008 to 30 June 2012.](#) In addition to individual member audits at least one particular category of entitlement will also be subject to audit each year.

Members can expect to be the subject of an internal audit at least once in a 4 year period with a number of Members randomly selected for additional audits within this time period.

Apart from auditing individual entitlement claims, the internal audits will look for patterns and trends, which could then be used to inform training and education programs or modifications to policy or processes. The findings will be made available to the Audit Office to use when it conducts its own audit process each year. At the conclusion of each Member's Entitlement internal audit, a draft report will be issued to the member concerned for review and comment on the audit files, prior to finalisation.

Reports from both internal and external audit processes will be made available to the Executive Manager and the Audit and Risk Committee for follow up action. In accordance with existing practice, an audit report is made to the Parliament by the Auditor General each year. Significant findings and resulting recommendations arising from the internal audit of entitlements will be included in the Annual Report of each House Department.

The audit methodology will be developed in consultation with the Audit Office and comment will be sought from ICAC and the Parliamentary Remuneration Tribunal. The internal audit program will have linkages to the external audit program and may focus on areas identified from that audit as higher risk. Both audit programs will be based on the requirements of the PRT Determination and will report on findings in regard to compliance with the Determination.

5.5 Annual Reporting

In addition to the recommendations above regarding the inclusion of audit information in the annual report, the IAB recommended that the annual report also include information regarding details of funds allocated and expenditure for individual Members.

Previous annual reports have limited disclosure to details of travel undertaken by Members and approved relatives and staff for the purpose of delegations, study tours, committee responsibilities and for other related purposes.

Commencing with the 2009/2010 annual reports, the annual report of each House now includes an expanded Appendix that will continue to report on travel but will also include the following information relating to entitlements:

Legislative Assembly

- Electorate Mailout Account
- Sydney Allowance
- Committee Allowance
- Electorate to Sydney Travel
- Charter Transport Allowance
- Logistic Support Allocation (LSA) total expenditure
- LSA travel expenditure – Members, Spouse/approved relative, Members' staff
- Additional Temporary Staff
- Travelling allowances for recognised office holders

Legislative Council

- Sydney Allowance
- Committee Allowance
- Home to Sydney Travel
- Logistic Support Allocation (LSA) total expenditure
- LSA travel expenditure – Members, Spouse/approved relative, Members' staff
- Travelling allowances for recognised office holders

The information will be presented in an accessible, reader friendly manner so that Members of the public can identify how monies are being expended for each entitlement category however details of individual transactions will not be published.

Members will be provided with an advance copy of any material relating to individual expenditure that is proposed for inclusion in the annual report to confirm accuracy prior to publication.

Expenditure that is not captured in the Parliament's annual financial statement for a particular year due to late submission/processing of applications for payment or reimbursement from parliamentary entitlements will be recorded separately in the following year's annual report.

5.6 Sanctions

The approach to risk management and self-assessment by Members will be supported by a regime of sanctions for non-compliance.

Examples of non-compliance include:

- Lodgement of claims for non-parliamentary business purposes
- Lodgement of claims for expenditure not allowed by the Parliamentary Remuneration Tribunal Determination or the Parliament's administrative guidelines
- Late Lodgement of accounts and claim forms (outside 60 days of receipt or expenditure)
- Overspending allocated funds
- Inappropriate use of credit card
- Inaccuracies and omissions in record keeping and claim forms
- Inadequate supporting documentation retained
- Inappropriate expenditure, that does not relate to the 'efficient performance of parliamentary duties'

In deciding whether a Member has not complied, Members' Services staff and internal auditors will make an initial assessment in regard to the facts, seriousness and nature of the particular incident. This assessment shall be subject to review by the Manager, Members' Services and referred to the Executive Manager, Department of Parliamentary Services as appropriate for serious breaches that may require further reporting or action .

Consideration will also be given to the following factors:

- Was it an isolated occurrence of non-compliance?
- Has the member demonstrated previous examples of non-compliance?
- How serious is the issue?
- What are the circumstances surrounding the issue?
- How will the non-compliance affect the Parliament and or other Members?
- Are the policies and guidelines in place adequate?

A range of sanctions are available and the penalty imposed will also take into account the above factors and any other mitigating issues deemed relevant by the Department of Parliamentary Services senior management.

Sanctions available include:

- A letter of advice to the Member that acknowledges the issue and refers the Member to the appropriate policy, determination and/or code of conduct.
- A written warning that clearly states what process was not complied with. The warning should

clearly state what is expected. The Member should also be referred to available resources that will facilitate future compliance.

The Member will be provided with written advice regarding the imposition of any sanction and given an opportunity to respond and make any relevant comment regarding extenuating circumstances.

The Member must refund expenditure that has been incorrectly claimed and reimbursed by the Parliament, or alternatively subsequent claims for re-imbursement may be adjusted as required.

In instances where entitlement expenditure has already been incurred by the Member and subsequently been rejected for reimbursement by the Parliament, the Member will be responsible for absorbing the cost and paying the service provider direct.

Matters involving serious allegations of misconduct and inappropriate use of resources (e.g. fraud) will need to be referred to ICAC.

Repeated non-compliance, even if of a less serious nature (e.g. repeated submission of claims outside the 60 day limit prescribed by the Tribunal) may result in the Member being prioritised for inclusion in the internal audit program or subjected to a second or further internal audit within the 4 year parliamentary term.

Chapter 6: General Principles Relating to Claiming Entitlements

This chapter gives an overview of the general principles and administrative processes relating to claims against entitlements. The chapter also provides information regarding the Parliament's asset policy.

6.1 Key Principles

The key principles guiding the administration of Members' entitlements are that:

- Members are accountable for all expenditure of entitlements
- The onus is always on the Member to show that any expenditure or any claim for reimbursement relates to Parliamentary duties
- Members must not overspend their allocation

The detailed guidelines and conditions, and administrative requirements as discussed below flow on from these key principles.

6.2 Claim forms for entitlements

To access entitlements, Members are required to complete a claim form, attach the supporting original tax invoice and forward it to the Members' Services Unit. Each entitlement has a specific claim form, designed to ensure that Members provide the information and documentation necessary for the claim to be processed. Each form contains a declaration that requires the Member to certify:

- The expenditure was in accordance with the current PRT determination, is in accordance with the guidelines in the Member's Entitlements Handbook and has not been used for direct electioneering or political campaigning
- That adequate documentation to support the claim is held by the Member and will be produced for audit when required.

All claims must be personally signed by the Member (electronic or stamp signatures are not acceptable). If a Member's spouse/approved relative or employee of the Parliament has incurred the expenditure, the spouse/approved relative/employee must also sign the form as the claimant. If the claimant wishes that the Member be reimbursed a notation to this effect should be made on the application form.

Forms are updated annually where necessary to reflect changes made to entitlements by the PRT in the annual Determination. Members need to ensure that they are using the forms that relate to the Determination under which the expenditure was incurred.

Entitlement forms pre-filled with the Member's name and cost centre details are distributed to all Members electronically in Word format and are also available on the Parliament's intranet site.

6.3 Purpose of Expenditure

6.3.1 Parliamentary duties

All additional entitlements are provided under the Determination for the 'purpose of facilitating the efficient performance of the Parliamentary duties of Members'. The application form requires Members to certify that the funds were expended for parliamentary duties. The information requested on each form, if completed appropriately, will support the Member's claim.

If an application form is incomplete, the claim will be returned to the Member with a request to complete the form as required.

The Member may need to provide further information and documentation to support the claim. Most documentation (excluding original tax invoices) needs to be retained by the Member and presented on request for audit purposes. Any documentation that needs to be attached to the form (i.e. original tax invoices) will be specified on the claim form. Members are required to retain a copy of all completed claims and should record the expenditure in the budget spreadsheet provided by the Parliament to assist with monitoring the relevant budget and ensuring that the entitlement is not overspent.

6.3.2 ATO invoice requirements

For the Parliament to comply with Australian Taxation Office (ATO) requirements it is necessary that a **tax invoice** be obtained for all goods and services purchased where the GST exclusive value is \$75 or more. In the event that the supplier or service provider is not registered for GST the Australian Business Number (ABN) must be quoted on the invoice.

The following information is required for a document to be accepted as a tax invoice, where the total amount payable is less than \$1000:

- Australian Business Number of the entity providing the goods or services
- GST inclusive price of the taxable goods or services supplied
- The words 'tax invoice' stated prominently
- Date of issue of the tax invoice
- Name of the supplier
- Brief description of each thing supplied
- Where the GST payable is exactly 1/11th of the total price, either a statement to the effect of 'the total price includes GST' or the GST amount.

Where the total amount payable is \$1000 or more the **tax invoice** must include the above information and also:

- Name of the recipient
- Address or the Australian Business Number of the recipient
- Quantity of the goods or the extent of the services supplied

An invoice other than a 'tax invoice' is acceptable when:

- The total amount payable is less than \$75 excluding GST.
- The goods or services provided are from an entity that is not registered for GST
- The goods or services provided are GST free e.g. FOI requests

Goods and Services Tax (GST)

As the Parliament is registered for GST an input tax credit is claimed from the Australian Taxation Office for all Members' entitlement claims paid direct to service providers or reimbursed to the Member. Therefore, the GST exclusive cost is deducted from Members' entitlement allocations and accounts.

Information in relation to establishment of accounts

All accounts established with service providers such as a local newsagent, printer or Australia Post must be created in the name of the Member. No expenses are to be incurred in the name of the Parliament.

A Member may choose to have the provider paid directly by the Parliament and have this amount debited against their entitlements or to pay the provider in the first instance and then seek reimbursement from the Parliament. Provision is made on the claim forms to nominate the payment method required.

If accounts involve the allowable intermingling of resources (that is, they are partly for parliamentary duties and partly private use), it is strongly suggested that Members pre-pay the account first and then seek reimbursement. This reduces unnecessary complications in the processing of claims.

Submission and payment of claims and processing reimbursements

Members must submit claims for payment to Members' Services within 60 days of receipt or occurrence of the expense.

Claims for payment or reimbursement are scheduled for processing and payment by the Parliament within the following timeframe:

- Members' Services process all complying and correctly completed claims within two working days of receipt and forward them to the Finance Unit for payment.
- The Finance unit will then process claims according to the following schedule:
 - for payment by EFT – within 10 working days of receipt of a claim
 - for payment by cheque – within 10 working days of receipt of a claim
 - payment direct to vendor/suppliers by the Parliament is in accordance with standard trading terms, usually in 30 days.

To minimise processing costs and processing delays the payments will be made by Electronic Funds Transfer (EFT) with remittance advices emailed to the payee.

In line with the Parliament's administrative arrangements and consistent with accrual accounting principles, the actual date that the goods or services are supplied or provided determines against which accounting year and budget allocation the transaction will be recorded.

Members will be advised each month by the Members' Services Unit as to the balances of their entitlements. This includes advice on the balances for the Logistic Support Allocation for all Members of Parliament, Daily Sydney Allowance for eligible Members, and Electorate Mail Out Account, Additional Temporary Staff, Electorate Office Requisites and Charter Transport Allocation (if applicable) for Members of the Legislative Assembly.

This advice will comprise of both a summary report and transaction report to assist Members and their staff to reconcile payments made and funds remaining with their own records. These reports will be issued electronically within 10 working days of the end of each calendar month.

6.4 Asset Management

Members and their electorate/parliamentary office staff are responsible for the care of the assets provided for their use by the Parliament.

The Central Asset Clerk is the designated officer responsible for the recording of and accounting for assets in the asset register. The Central Asset Clerk will ensure integrity of the SAP Asset Register including recording asset acquisitions, transfers and disposals. Local asset managers are those designated officers responsible for assisting with the physical procurement, transfer and disposal of assets. Parliamentary Facilities (DPS) will provide Local Asset Manager services for non-technology assets and Information Services (DPS) will provide Local Asset Manager services for technology assets. The Asset Manager, Electorate Office Support Unit (EOSU) will continue to support Members of the Legislative Assembly.

6.4.1 Custody assets (Low value assets)

All custody assets are the property of the Parliament of New South Wales. Custody or custodial assets are those assets that:

- have a purchase cost between \$300 and \$4,999 (ex GST);
- are in the custody of a particular person or group;
- have a useful life of more than one year;
- have a value under \$300 but are considered by their nature to be attractive items and are expended on purchase. Such items are likely to include mobile telephones, DVD players, cameras, computers and microwave ovens,
- have been designated by the Financial Controller as necessary to be tracked for management reporting.

6.4.2 Purchase of Assets

On request, Members are able to purchase certain assets that they require (beyond those issued to all Members or provided to electorate offices), using the Logistic Support Allocation (LSA). Further information on the LSA is in Chapter 7.

The Manager, Members' Services, or a delegated officer, must approve all asset purchases through the LSA that cost \$300 or more (excluding GST) to ensure they comply with the PRT Determination and the Parliament's purchasing policies.

6.4.3 Asset Register

An asset register will be used to record details of custodial assets including LSA equipment and furniture purchases. The register will allow all assets to be tracked over their life and ensures that assets are, purchased, controlled, reviewed and disposed of appropriately.

The following categories of items will be maintained on the Asset Register:

- All assets purchased by the Parliament that are in the custody of either Members or staff equal to or above \$300 in value,
- Assets equal to or over \$300 that were purchased by Members from the LSA,
- Assets for which service and repair histories are to be maintained, and
- Certain attractive and higher risk items under \$300 in value (described above).

All assets will be issued with an asset number and a bar code number to assist with subsequent identification and tracking.

Issue and return

Members are responsible for the custody and care of assets issued to themselves or their staff for use until such time as the asset is returned for re- issue, repair or eventual disposal.

Relocation

Apart from portable assets such as notebook computers or mobile telephones, assets are not to be relocated i.e. moved to other locations, without prior notification and approval from the Local Asset Manager or delegated officer. A custody asset advice form, available on the intranet, must be completed and referred to the Local Asset Manager or the EOSU of the Legislative Assembly for endorsement prior to forwarding it to the Central Asset Clerk .

Requests to relocate assets should be made to the Local Asset Manager.

Audits/stocktakes

A stocktake or audit of the assets in the custody of Members is undertaken annually. An additional audit is undertaken at the beginning and at the end of each Parliament unless these dates coincide with the annual audit.

Arrangements will be made and a schedule prepared so that each electorate office is subject to a physical stocktake at least once per Parliament.

These checks will be in addition to an annual verification exercise whereby a check list of assets on issue will be forwarded to each Member's office for certification that they are still under the custody and care of the Member concerned.

The Local Asset Manager or delegated officer will check the results of the stocktake and follow up any issues, including any necessary repair work.

If a Member resigns, retires or otherwise leaves the Parliament, a stocktake of any equipment under the custody of that Member will be undertaken prior to the departure to ensure that all assets are

either returned/and or accounted for.

Disposal of surplus and unserviceable goods

Equipment and furniture purchased through a Member's LSA may be disposed of through the following means subject to prior written approval from the Clerk of the Legislative Assembly or the Clerk of the Parliaments.

- Transfer to Government Auction
- Direct or negotiated sale (including to Members) of items with a current book value of under \$1,500
- Donation to charitable or community organisations
- Destruction and/or disposal at a waste management facility
- Tenders/written quotation for sale of items up to \$150,000.

Disposal of assets supplied by the Parliament shall be coordinated by the Local Asset Manager and under no circumstances are Members or their staff to dispose of this equipment without prior approval.

A Member may dispose of an item directly to a local registered charity or community organisations.

The Clerk must agree to the disposal prior to the donation being made.

The Member should put the proposal in writing to the Clerk and include information regarding the item (description and serial number) and the name of the organisation the goods will be given to.

Once the Clerk approves the request, the Member will be notified and the item will be removed from the Asset Register.

6.4.4 Writing off an asset

An asset can be written off if it is:

- Lost or missing,
- Unserviceable or irreparable,
- Uneconomic to repair,
- No longer required, replaced or disposed of.

The Member must make a written submission to the Local Asset Manager for the asset to be written off. The submission should include a statement of the circumstances resulting in the loss/damage, action taken to recover the missing item/s and changes in procedures to prevent similar situations arising again.

In instances where theft is suspected, the NSW Police Service are to be notified and an event number obtained which is required for insurance purposes. Insurance procedures should be followed up with the Director, Finance who is the Risk Co-ordinator for the Parliament, telephone (02) 9230 2292.

Further details of the procedure to be followed in the event that assets are lost or stolen are

provided under the following heading.

6.4.5 Reporting lost, damaged or stolen assets

All incidences of lost or stolen Parliament House property are to be reported to the closest Police station or PAL 131444 as soon as practicable after the theft or loss is discovered and an incident event number obtained.

Additionally, any lost or stolen mobile telephones or portable telecommunication devices, such as a BlackBerry, are to be reported as soon as practicable by the Member or to the network provider to arrange suspension of the service.

The loss, theft or accidental damage of all such equipment must also be reported to the Local Asset Manager.

On receipt of this advice, an insurance claim form will be forwarded, which is required to be completed by the Member. Details recorded on the claim form are to include the name of the Police station that the theft or loss was reported, plus the incident event number assigned by the Police.

No replacement equipment will be supplied until the completed insurance claim form has been completed and returned to Director, Finance.

Under the current property insurance cover in place arrangements will be made to replace equipment with the same model or another model with similar features at no cost to the Member, subject to acceptance of the claim by the Parliament's insurer, the Treasury Managed Fund.

6.4.6 Asset Repairs

Details of equipment provided to Members at Parliament House that is broken, faulty or considered redundant is to be advised to the Local Asset Manager so that arrangements can be made for repair, disposal or replacement.

The responsibility for standard items of equipment and furniture provided for use by Legislative Assembly Members in their electorate offices is assigned to the Legislative Assembly Electorate Office Management Unit (EOMU) who should be contacted on 9230 2050 for any repair or replacement requests.

Items of furniture, office or portable equipment purchased by Members from their LSA that require repair or replacement are to be reported to the Manager, Members' Services on 9230 3041. The cost of any repair, disposal or replacement is required to be met from the Member's LSA.

Under no circumstances is this equipment to be disposed of by the custodian, unless prior approval in writing has been given by the Asset Manager or delegated officer. Please also refer to Disposal of Surplus and Unserviceable Goods earlier in this Chapter.

Please refer to the full Custody Asset Policy on the intranet for further details

6.4.7 Policy for Loss or Theft of Equipment within a Four Year Period

Two insurance claims for loss, theft or accidental damage of the same type of equipment (eg mobile phone and BlackBerry) will be permitted per Member in any four-year period.

Theft, loss or damage to multiple pieces of equipment (eg mobile phone and BlackBerry) at the same

time is treated as a single claim per type of equipment.

Theft, loss or accidental damage resulting in a third claim within four years of the date of the first claim made will require the Member to contribute 50% of the equipment replacement cost.

Theft, loss or accidental damage resulting in a fourth claim within four years of the date of the first claim will require the Member to contribute 100% of the equipment replacement cost.

In the event of a third or fourth claim, replacement equipment will not be issued until payment or written confirmation that payment will be made is received from the Member.

For the purpose of calculating the four-year period since the date of the first claim the applicable date is the actual date of the loss or theft.

In the event that equipment has been accidentally damaged and can be repaired at a cost less than the contribution required from the Member then the Member will only be required to meet the cost of repair.

On the advice of the Director, Finance and after considering the Police report, the Presiding Officers may approve the acceptance of claims at the Parliament's expense in excess of the limit imposed above.

For this approval to be given the Presiding Officers will need to be satisfied that reasonable care has been taken or that extenuating circumstances exist.

Extenuating circumstances do not include the loss of equipment or the theft of equipment left in taxis, public transport or private motor vehicles.

Prior to consideration being given to any such request, the Member is required to comply with the reporting requirements detailed above.

No claim will be accepted by the Parliament for a Member's own personal telephone, pagers or portable equipment unless prior approval in writing has been given by the Executive Manager or the Presiding Officers, accepting liability for replacement of this equipment in the event that it is lost, stolen or damaged.

6.4.8 Exemptions from claim restrictions

Theft of Parliament House owned equipment from a Member's home will be exempt from the above claim restrictions subject to receipt of a Police report confirming that proper and reasonable security precautions were taken.

The Presiding Officers, having regard to the advice of the Director, Finance and the insurer, will deal with all other issues relating to the theft, loss or accidental damage to portable equipment on a case-by-case basis.

6.5 Using private vehicles for parliamentary duties

6.5.1 Information in relation to car insurance

A Member is required to have the following insurance arrangements in place prior to using their own vehicle for parliamentary duties:

- any motor vehicle must be covered by a third party policy as required by the *Motor Vehicles (Third Party Insurance) Act 1942*
- the vehicle must be comprehensively insured providing insurance or indemnity against:
 - (a) *liability of the Crown to pay for loss or damage to property arising out of the use of the Members'/approved relative's/staffs' motor vehicle*
 - (b) *liability of the Crown to pay for loss or damage to the vehicle*
- in the event of an accident the Member/approved relative/staff owning or leasing the vehicle shall be responsible for the payment of any excess.

Members or other claimants are also advised to check with their insurance provider to ensure that their current insurance policy provides for partial business use of the vehicle.

6.5.2 Reimbursement for vehicle use

Costs incurred for travel undertaken in a private vehicle are reimbursed at the public sector kilometre rate that is formulated to compensate for petrol costs, vehicle maintenance and depreciation. These rates are published on the private vehicle claim forms and can be found on the Parliament's intranet. Members utilising a third party vehicle apart from that of their spouse/partner are reimbursed 40 percent of the applicable ATO kilometre rates.

Please note Legislative Assembly Members are not entitled to claim a kilometre allowance for use of their vehicle or rental car within their electorate as the electoral allowance has been provided for this purpose. Members representing electorate zones 5-7 may claim the cost of a rental car from their Charter Transport Allowance.

Reimbursement is made to Members through the payroll at the end of each month, provided claims are received by the 15th day of the month. No tax is withheld from the payment.

For audit purposes a copy of the registration papers of any private vehicle used needs to be submitted so that the engine capacity can be verified. Papers only need to be sent once for each vehicle as a record of registrations is kept.

6.6 Commercial air travel

The PRT states that:

'A Member's air transport bookings for Parliamentary duties and that of their spouse/approved relative and staff are to be made with an appropriate transport provider.'

A corporate charge account has been established with the current NSW Government travel contract, Carlson Wagonlit Travel (CWT). Should a Member wish to book Parliamentary travel on this corporate account they should contact Members' Services to ascertain the account number and booking procedure. Members who use the CWT corporate charge account for air travel will receive a report on a monthly basis documenting their travel details and costs on that account. Each Member is required to certify that the contents of the report are an accurate record of their travel in the preceding month.

Alternatively, Members may book direct with airlines or other travel providers then seek reimbursement from the Parliament on production of a claim form and tax invoice.

Members must maintain records and related evidence that clearly documents the occasions they travelled in connection with their Parliamentary duties. As copy of this documentation, including airline boarding passes if travelling by commercial aircraft, is to be retained for subsequent review by internal and external auditors if required. This documentation must also be retained for any staff Member or approved relative who has incurred travel expenses in connection with the Member's Parliamentary duties.

6.6.1 Access to Travel by Approved Relatives

An 'approved relative' is a person who meets one of the following criteria:

- Wife or husband of the Member;
- A person living in a domestic relationship as defined in the Property Partner (Relationships) Act 1984;
- Single or widowed Members may nominate a Member of the immediate family (parents, siblings, children who are not minors i.e. below 16 years of age) as an approved relative.

Under special circumstances a Member may apply through the Presiding Officers to the Tribunal for an exception to the criteria. This will need to be based on the ability of the Member to meet their parliamentary duties and individual circumstances that apply at the time.

A Member and his or her approved relative may travel together or separately in connection with attendance at a function in the course of Parliamentary duties.

For further details on travel arrangements for both electorate/home to Sydney travel and travel using the Logistic Support Allocation, please refer to Chapter 7 of this Handbook.

Chapter 7: Entitlements for all Members

This chapter gives a general overview of the additional entitlements available to all Members of the NSW Parliament. The information provided is based on the 2010 Determination of the Parliamentary Remuneration Tribunal (PRT). As the PRT makes annual determinations, Members should ensure that they refer to the latest determination when making decisions about the use of their entitlements.

7.1 Electoral Allowance

The Electoral Allowance is paid to all Members and Recognised Office Holders. Part 3 of the *Parliamentary Remuneration Act 1989* outlines the payment provisions relating to the Electoral Allowance.

It states:

- The allowance is payable to Members (whether or not recognised office holders).
- The allowance is payable in money.
- The allowance is payable as compensation in respect of all incidents of the performance of parliamentary duties (other than those compensated or reimbursed by other additional entitlements).
- Different amounts may be fixed for different Members or classes of Members.

The Parliamentary Remuneration Tribunal sets the amount payable in its annual determination. The 2010 Determination fixed the allowance payable per annum for Legislative Assembly Members in each electorate groups as follows:

Electorate Group	Electoral Allowance
Group 1	\$41,110
Group 2	\$48,140
Group 3	\$56,740
Group 4	\$61,940
Group 5	\$65,885
Group 6	\$72,225
Group 7	\$84,475

The electoral allowance for each Member of the Legislative Council was set under the 2010 Determination at \$48,140 per annum.

Payment and taxation of the allowance

One-twelfth of the allowance is payable each calendar month in arrears, along with the monthly salary payment. As the Australian Taxation Office (ATO) has granted a withholding tax exemption for this Allowance, it is not taxed at the time of payment unless requested by the Member.

The Allowance is included in the annual payment summary issued to Members. When the Allowance is not fully expended or the expenditure incurred is not allowed as a tax deduction by the ATO, that portion is subject to the same tax rates as normal income.

Members are not required to account for use of this allowance to the Parliament. Members will however, be subject to the substantiation rules determined by the ATO. Further information regarding ATO substantiation rules are provided in Taxation Ruling 99/10. This ruling provides information on income tax and fringe benefits tax arrangements applicable to allowances, reimbursements, donations and gifts, deductions and recoupments for Members of Parliament. The ruling is available on the Parliament's intranet site under the Members' section.

Purpose and Use

The Electoral Allowance is provided for the performance of parliamentary or electoral duties. It is paid to cover incidental expenditure incurred in discharging a Member's electoral responsibilities (TR 1999/10 – Allowances, page 20).

The Electoral Allowance can be used by a Member in undertaking either parliamentary or electorate duties.

The 2010 Determination specifies the guidelines and conditions of use for all entitlements (see Chapter 1). It states under condition 5:

‘Nothing shall prevent the use of the Electoral Allowance for legitimate electorate expenses which might also fall within the categories of expenses covered by the Logistic Support Allocation’.

Traditionally, the Electoral Allowance has been used by Members, for example, to acquire, operate and maintain a motor vehicle for the purpose of servicing their electorate. Other uses include the purchase of raffle tickets and/or providing donations at various functions throughout their electorate and the purchase of trophies/prizes for school presentation days, floral tributes at commemoration days, and so on.

Managing the Electoral Allowance

Members may wish to establish a separate bank account to assist in accounting for expenditure from this allowance. Arrangements can be made with the Payroll Supervisor for the allowance to be deposited into a nominated bank/building society/credit union account. Further information is available from Payroll staff on 9230 2569.

7.2 Committee Allowance

Members of the Legislative Assembly and the Legislative Council serving as Chairpersons of Joint Committees, Select Committees and Standing Committees receive a Committee Allowance in recognition of the additional responsibilities and the time required to undertake these responsibilities. The allowance is not payable to a Chairperson who is in receipt of a salary of office and expense allowance as part of their salary as an officer holder as specified in Schedule 1 of the *Parliamentary Remuneration Act*.

The 2010 Determination set a daily rate payable of \$175 for each day upon which the Member is required to attend a meeting or an official visit or inspection as part of their Committee Chairperson role. The allowance is not payable on days that the Member's House is sitting.

Public Accounts Committee

Members of the Public Accounts Committee, other than the Chairperson of the Committee or another Committee in receipt of a salary of office as specified in schedule 1 of the Act, receive an annual allowance, set at \$4,010 per annum by the 2010 Determination.

Payment and taxation of the allowance

Payment of the Chairperson's Committee Allowance and the Public Accounts Committee Member committee allowance are processed each calendar month and paid through the Member's payroll, along with normal salary. Both allowance types are taxed at the time of payment.

Members must send a completed and signed claim form to Members' Services for all payments from the Committee Allowance. Members should retain the supporting documentation that substantiates their eligibility to receive the entitlement. This documentation may be required for inspection for audit or other purposes.

Documentation to support the claim should include details of:

- The name of the Committee
- The name of the Chairperson in attendance, and
- The date of the committee's official meeting, visit or inspection.

Appropriate documentation would be the minutes or transcripts from meetings or inspections, which are appended to the report of an inquiry when tabled, or available on the Committee's page of the Parliament's intranet. Members can also request documentation from the Procedure Office of the relevant House that confirms their position as Chairperson.

7.3 Logistic Support Allocation

The Logistic Support Allocation (LSA) is provided to Members to fund the operational costs of undertaking their Parliamentary duties. The LSA must not be used to purchase items or services already provided to Members by the Parliament.

Entitlement

The LSA entitlement is determined annually by the Tribunal and is based on electorate groupings for Legislative Assembly Members and zones for Legislative Council Members. The LSA for each grouping set by the 2010 Determination is laid out in the following tables.

Electorate Group or Zone	Transport	Communication - Electronic	Communication - non-electronic	Printing and Stationery, Office Supplies & Services	Total Logistic Support Allowance
Legislative Assembly					
Group 1	\$5,040	\$4,405	\$14,835	\$8,010	\$32,290
Group 2	\$7,565	\$5,720	\$14,835	\$8,010	\$36,130
Group 3	\$10,085	\$5,720	\$14,835	\$8,010	\$38,650
Group 4	\$10,085	\$5,720	\$14,835	\$8,010	\$38,650
Group 5	\$10,085	\$5,720	\$14,835	\$8,010	\$38,650
Group 6	\$12,600	\$5,720	\$14,835	\$8,010	\$41,165
Group 7	\$12,600	\$5,720	\$14,835	\$8,010	\$41,165
Legislative Council					
Zone 1 Electorates	\$5,040	\$5,070	\$3,780	\$8,010	\$21,900
Zone 2 Electorates	\$5,040	\$5,720	\$3,780	\$8,010	\$22,550
Zone 3 Electorates	\$12,600	\$9,020	\$3,780	\$8,010	\$33,410

In addition, Recognised Office Holders are entitled to further additional entitlements for one office only, that office being the office that attracts the greater level of entitlements. These entitlements, as they apply to Recognised Office Holders, are to be available only for Recognised Office Holder duties. The allowances, expressed as a percentage of the LSA category allocations set by the 2010 Determination are:

Recognised Office Holder	Transport	Communication - electronic	Communication - non-electronic	Printing & Stationery
Presiding Officer	30%		55% (A) 175% (C)	40%
Minister				40%
Deputy Speaker, Chair of Committees				40%
Leader of the Opposition	20% (A)		140% (A) 175% (C)	40%
Deputy Leader of the Opposition	10%		15% (C)	40%
Whips			15% (C)	40%
Party Leader (not less than 10 Members)	15%			40%
Deputy Party Leader (not less than 10 Members LA or 9 Members LC)	10%		15%	40%
Leader of the National Party (in Opposition with not less than 10 Members in LA)	15%		15%	40%
Other Recognised Office Holders				40%
Independent Members				20%

Where an entitlement is followed by (A) or (C) it applies only to the Office Holder in either the Assembly or the Council.

As indicated, a total amount for LSA is allocated on an annual basis but the Tribunal has identified four nominal categories (Transport, Communication Electronic, Communication – non electronic, and Printing, Stationery, Office Supplies and Services) within the LSA from which purchases can be made under this allocation. The amounts indicated for each category are a guide only and a Member may expend more or less than the nominated amount in a particular category, provided the total LSA budget is not exceeded in a financial year.

Provision of the LSA

The Logistic Support Allocation will be established and maintained by the Executive Manager, Department of Parliamentary Services.

At the commencement of the four-year Parliament, each Member will be provided with a budget account containing the determined Logistic Support Allocation. Where a Parliament commences part way through a financial year, the allocation will be reduced, based on the remainder of the financial year.

For the duration of the Parliament, Members will receive a new allocation at the beginning of each financial year.

Any funds that are not expended at the end of the financial year are rolled over into the following year within the four-year Parliamentary term.

At the commencement of the last financial year within a Parliament, Members will receive a pro rata allocation up until the date of the election. Any funds remaining in a Member's allocation at the conclusion of the Parliament are forfeited.

Conditions

The LSA is subject to the general guidelines and conditions of use specified by the PRT in its annual determination (see Chapter 1). Primarily, these conditions state:

- All purchases must be in accordance with the Parliament's purchasing policies.
- Members must ensure they have sufficient funds to meet the costs associated with Parliamentary duties.
- Expenditure is only to be incurred in connection with the Parliamentary duties of Members.
- Allowances are provided for the sole use of the Member and are not to be transferred to other persons or organisations including Members. However, Members may use their entitlements to meet official costs of approved relative and/or staff employed by the Parliament when that expenditure is in connection with official Parliamentary duties.

In addition the Determination includes general conditions that relate to the Logistic Support Allocation Account.

The 2010 Determination specifies the following general conditions:

1. The Department of Parliamentary Services will be available to assist Members in self-assessing that use of their LSA is consistent with the Determination. Assistance provided shall be in the form of an advisory service and will include the provision of information and guidelines that have regard to taxation, accounting and funding implications. This advice shall not abrogate Members from their responsibilities under the general guideline 3.1 on page 17 and other provisions of the Determination.

2. Subject to these conditions, each Member shall determine at his/her own discretion the use of the funds within this Account for the purpose and operations specified above.
3. It is the primary responsibility of Members to ensure that they manage their LSA Account to ensure that they do not over-expend their budget. The Tribunal will not provide for supplementation of this Allocation. However, the Logistic Support Allocation is not intended to restrict the proper use of the Electoral Allowance.
4. Members cannot use their LSA to procure goods or services to be used for direct electioneering purposes or political campaigning.
5. Any unused LSA remaining at the end of the financial year shall be carried over to the following financial year. Any funds remaining at the conclusion of a four year term or at an earlier dissolution of the Legislative Assembly are forfeited.
6. Members must personally authorise expenditure from the LSA. Whilst subject to both the general and particular conditions specified in the Determination, together with the Parliament's administrative guidelines Members may determine at their discretion use of the LSA.

As part of its 2009 annual review, the Tribunal considered the use of the LSA by Members wishing to purchase promotional products (key rings, magnets, etc) for constituents. The Tribunal determined that such items should not be funded from the LSA.¹ The Tribunal further clarified this matter by ruling that calendars should also be considered promotional material.²

The Determination also specifies particular conditions as they relate to each LSA Category. These are described in the following pages under each of the categories.

Claiming Expenses and Accounting Arrangements –

Members seeking to claim an expense from the LSA must complete the appropriate claim form. There are two claim forms relating to LSA expenditure:

- Application for Payment from the LSA for General Expenses (to be used for all LSA claim types except for accommodation and meals, sustenance allowance, private and rental vehicles, charter transport allowance and airfare costs) – LSA1
- Application for Reimbursement from the LSA Accommodation and Meals – sustenance allowance – LSA2

The Member must personally authorise and sign for the expenditure and cannot delegate this authority to any person, including staff Members. However, claims for expenditure incurred by an approved relative or staff Member should also be co-signed by the person incurring the expenditure.

Members may be reimbursed costs that have been expended or elect to have payment made directly to the service provider where credit facilities have been established.

Where there is some intermingling of private and public use of resources, and accounts are apportioned on a percentage or other basis, it is strongly suggested that Members pay the account and seek reimbursement to avoid unnecessary administration and confusion with outstanding part balances on accounts.

The Member must submit the claim to Members' Services within 60 days of receipt or occurrence of the expense.

¹ Report and Determination of the Parliamentary Remuneration Tribunal dated 29 May 2009, page 7

² Ruling of the Parliamentary Remuneration Tribunal dated 26 November 2009

The Member must attach an original **tax invoice** when the amount payable is between \$75 and \$1000, excluding GST. The tax invoice must include:

- Australian Business Number (ABN) of the entity providing the goods or services
- GST inclusive price of the taxable goods or services supplied
- The words 'tax invoice' stated prominently
- Date of issue of the tax invoice
- Name of the supplier
- Brief description of each thing supplied, and
- Where the GST payable is exactly 1/11th of the total price either a statement to the effect of 'the total price includes GST' or the GST amount.

Where the total amount payable is \$1,000 the tax invoice must additionally include:

- Name of the recipient
- Address or the ABN of the recipient, and
- Quantity of the goods or the extent of the services provided.

In certain other circumstances, Members may attach an **original** invoice or receipt (i.e. a document not meeting the "tax invoice" criteria). These circumstances are:

- Where the total amount payable is less than \$75 (exclusive of GST). A tax invoice is also acceptable
- For goods and services from an entity not registered for GST (the invoice must quote an ABN)
- For costs/payments that are GST free

Where payment is to be made to the service provider, sufficient information must be provided to the Finance Unit to enable payment including the supplier's name, ABN, address and preferably, an email and EFT payment details.

Members are required to retain a copy of the invoice and claim form for their records and for presentation for audit purposes.

Any purchase must comply with the Parliament's Asset Policy (see Chapter 6). In particular, the Member should be aware that assets (items valued at \$300 or over in value) are registered on the Parliament's Custody Asset Register. Prior approval for the purchase of assets must be obtained from the Manager, Members' Services.

The date that the goods and services were supplied will determine the accounting period in which the transaction is recorded.

At no time may a cash advance be provided to a Member and borrowing against subsequent years' allocations or from other Members' accounts is not permitted.

Managing the Allocation

It is the responsibility of Members to manage their expenditure and ensure that the annual allocation is not overspent. Members have been provided with individual spreadsheets that enable them to access real time and close to accurate information about expenditure of entitlements. Members, and their staff, will be responsible for providing the data to keep the spreadsheets up to date and relevant. If used properly, the spreadsheets should inform Members if they have sufficient funds before they expend further money.

A report is issued by Members' Services each month to advise Members as to the balance of their LSA. The report will include the allocated yearly budget, expenditure for the current month, year to date

expenditure and remaining funds available. Members should use the monthly reports to reconcile information on their spreadsheets. Any discrepancies should be raised with Members' Services staff.

If a Member's allocation drops below \$10,000, Members' Services will write to the Member to draw attention to the current balance with a reminder that there is no provision for over expenditure and that they are personally liable once their allocation is fully expended.

Use of the LSA for Transport (Other than Electorate or Electorate to Sydney Transport)

Members may use the LSA to travel within Australia in the course of undertaking their Parliamentary duties. Members should note, however, that there are separate entitlements for Electorate to Sydney travel (county based Members), committee travel and ministerial travel.

Transport and travel is categorised into the following:

- Intrastate travel: includes any costs incurred within NSW (including Coolangatta and Canberra). NOTE: Transport costs incurred by a LA Member within their own electorate are not payable from the LSA. Members are required to utilise their electoral allowance for this purpose.
- Interstate travel: includes any costs incurred when travelling to another state or territory within Australia, excluding Norfolk Island. NOTE: Costs incurred outside Australia are not payable from the LSA.
- Electorate/Home to Sydney travel for approved relative and staff only (not the Member) – this is for trips taken from any point in the LA Member's electorate or from the LC Member's principal place of residence or nominated local airport DIRECT to or from Sydney.

The 2010 Determination specifies the following particular conditions pertaining to the use of the LSA for Transport:

1. A Member may use any form of transport within Australia subject to the requirement that the transport was used for Parliamentary or electorate duties and that the cost was reasonable.
2. A Member may travel anywhere in Australia provided it is for the purpose of performing Parliamentary duties and that at the time of booking the travel, sufficient funds were available to pay for the expenses.
3. All travel costs associated with approved relative or Members' staff travel are to be provided from the LSA Account. This does not include official staff training costs as these are met by the Legislature.
4. Members and their approved relatives travelling in connection with the Member's Parliamentary duties may claim reasonable actual expenses for meals and accommodation from the LSA Account. The reimbursement of these expenses cannot exceed the travel allowance rates as determined in the Table below:

Capital City Destination		Other travel destinations	Where no overnight stay is required
\$363.25 Brisbane, Melbourne, Perth	\$313.25 Adelaide, Canberra, Darwin, Hobart	\$223.05	Actual reasonable meal expenses

5. A Member and his or her approved relative may travel together or separately in connection with attendance at a function in the course of Parliamentary duties.

6. A Member and his or her approved relative and staff employed by the Parliament, may use taxis or hire cars for Parliamentary duties.
7. A Member's air transport booking for Parliamentary duties and that of their spouse/approved relative and staff are to be made by the Member with an appropriate transport provider.
8. Members should ensure that records are maintained that clearly document the occasions that staff employed by the Parliament stay in Sydney or other locations when travelling in connection with the Member's Parliamentary duties. Documentation, such as airline boarding passes should be retained for internal and external audit purposes.
9. A Member may use charter transport in connection with Parliamentary duties, but only within the limit of the Member's individual LSA. No passenger, except the Member's approved relative and staff employed by the Parliament accompanying the Member on Parliamentary duties, may be carried at the cost of the Member's LSA. Where more than one Member is travelling on the air charter, the total air charter costs should be shared equally between the Members.
10. It is a condition of all transport air charters that the Member responsible for organising the charter obtains a passenger manifest from the charter operator and attaches it to the invoice when it is submitted for payment to the Legislature.
11. Members together with their approved relative will need to maintain records or other relevant evidence that clearly document the occasions they travelled in connection with their Parliamentary duties. A copy of this documentation, including boarding passes if applicable, is to be retained for presentation to internal or external auditors.

Procedures relating to claiming travel

Members must complete the applicable claim form, which could include one or more of the following:

- Application for reimbursement from the LSA Accommodation and Meals sustenance allowance (LSA 2)
- Application for payment of air travel (TRAVEL 1)
- Application for payment of private or rental motor vehicle costs (TRAVEL 2)
- Application for payment from the LSA for claiming taxi, rail and airport link fares (LSA 1)

The original tax invoice must be attached to the claim as applicable and as indicated on the relevant claim form. The Member is required to keep a copy and retain it along with all supporting documentation for audit purposes. Supporting documentation that substantiates the purpose of the travel could include an invitation, minutes or agenda of a meeting or paperwork confirming an appointment.

Use of the LSA for Communication – Electronic

This category of LSA relates to home telephone, home facsimile and home Internet call charges for official business together with mobile telephone calls.

The 2010 Determination allows Members the flexibility to access the most up to date and suitable equipment to assist them in performing their parliamentary duties by allowing them to choose what equipment they need. These items, including laptops, mobile phones and blackberries, are to be purchased from the LSA.

The 2010 Determination specifies the following particular conditions relating to Communication –

Electronic:

1. The Tribunal accepts that there will be some private usage in connection with mobile telephones supplied by the Parliament and electronic communication equipment installed at public expense in a Member's principal place of residence. To ensure the Legislature does not pay Fringe Benefits Tax for the private usage of electronic equipment, the Financial Controller will undertake a survey over an appropriate period of time to ascertain public/private percentage use of Members' home telecommunication services. Once established, Members will be reimbursed the Parliamentary business cost of each home telecommunication call or usage account and an adjustment shall be made to previous accounts reimbursed from the effective date of the Determination, on or from the date of election, whichever is the later.

Note: The PRT has issued a ruling that Members who do not wish to undertake a survey to establish public and private use may only be reimbursed rental and not call costs.

2. Members may utilise any telecommunication services or network features with the exception of overseas calls, charge information/service calls, reverse charge calls, home-link calls and Telecard calls.
3. The following Recognised Office Holders shall be entitled to 100 per cent reimbursement for electronic-communication costs.
 - Ministers
 - Presiding Officers
 - Leader of the Opposition (Assembly and Council)
 - Leader of a Party not less than 10 Members in the Legislative Assembly
 - Chairman of Committees (Assembly and Council)
 - Deputy Speaker
 - Deputy Leader of the Opposition (Assembly and Council)
 - Deputy Leader of a Party not less than 10 Members in the Legislative Assembly
 - Parliamentary Secretaries (Assembly and Council)
 - Government and Opposition Whips (Assembly and Council)
 - Whip of a third party with not less than 10 Members (Legislative Assembly)
 - Deputy Whips (Legislative Assembly)
4. Call charges pertaining to a data line installed at Legislative Council Members' home offices be reimbursed at the rate of 100% where Members do not have a broadband service connected, subject to the line being used for Parliamentary duties.
5. Members will be required to meet the cost of all overseas calls, other charged information/services calls, reverse charge calls, and home-link and Telecard calls.
6. Members are to meet the cost of their portable communication equipment and the associated operating costs from the LSA. The purchase of such items is to be in accordance with the Parliament's procurement policies and administrative guidelines.

Procedures relating to claiming

Members may use any telecommunication provider for their home telephone, fax and internet services. Any contracts or plans entered into for the provision of these services are to be in the Member's name and not that of the Parliament.

At the end of each Fringe Benefits Tax year (31 March), the Financial Controller will request Members to confirm their current Parliamentary business use percentage or undertake a new survey

over an appropriate period of time to ascertain public/private percentage use of Members' home telecommunication services, the purpose of which is to calculate Fringe Benefits Tax Liability and the percentage that a Member may be reimbursed.

Members will be reimbursed a maximum of 90 percent of home electronic communication costs pending undertaking a survey and completing a FBT Expense Payment Declaration so Parliament can comply with ATO regulations and PRT Determination conditions which stipulate that Members may only be reimbursed for the nominated Parliamentary business use percentage on their private services.

Once the declaration has been completed within the nominated time period, a retrospective adjustment shall be made to adjust the amount previously advanced to the correct Parliamentary business percentage use. This requirement is for home telephone and facsimile call charges and Internet usage costs. It is not applicable to mobile phone, electorate office and Parliament House services.

Members must complete an FBT declaration for all new home telephone communication services including when relocating to a different principal residence. The Finance Unit manages the completion of the annual FBT declaration.

The FBT percentage is only applicable to eligible call charges. Members may seek payment/reimbursement from the LSA for 100% of costs associated with service and equipment rental for the nominated telecommunication services.

Members who are Recognised Office Holders are reimbursed 100% of eligible call costs regardless of their nominated business use percentage declared in the FBT Expense Payment Declaration. Members are required to complete the form "Application for Payment from the LSA for General Expenses" – LSA1.

Members can choose to pay the account in full and seek reimbursement, or alternatively, request payment to be made direct to the telecommunications provider. Under this option, the Parliament pays the service provider the Member's entitlement then notifies the Member of the remaining amount they have to pay the service provider direct.

Use of the LSA for Communication – Non – Electronic

A component of the LSA is allocated to cover the cost of Members' non-electronic communication, including postage charges. Legislative Assembly Members must note, however, that postage charges relating to an electorate mail out should be claimed from the Electorate Mail Out account provided sufficient funding is available.

The 2010 PRT Determination specifies that Members may purchase postage stamps or other mail distribution and delivery services to enable them to undertake their Parliamentary duties.

Procedures relating to claiming

Members can pay the account and then seek reimbursement or elect to have the Parliament pay the provider directly. Either option can be exercised using the following claim form: LSA 1- 'Application for payment from the LSA for general expenses'

The original tax invoice must be attached and the Member must retain a copy for audit purposes.

Use of the LSA for Printing, Stationery, Office Supplies and Services

A component of the LSA is allocated to cover the costs of printing, stationery and office supplies.

The 2010 PRT Determination prescribes the following particular conditions:

1. Members may only use the printing, stationery, office supplies and services entitlement for Parliamentary duties.
2. The entitlement may be used to purchase printing, stationery, office supplies and services from the Parliament or other providers and in accordance with Parliamentary procurement policies and practices.
3. A Member may not use their printing, stationery, office supplies and services allowance to procure goods and services to be used for direct electioneering purposes or political campaigning.
4. The purchase of computer software from the LSA is subject to the following conditions:
 - The software will not be supported by the Parliament's Information Technology Services staff
 - The software is required to be removed from the computers supplied by the Parliament as part of the Standard Operating Environment (SOE) if there is any conflict with the Parliament's computer network. The Parliament's Information Technology Section maintains a list of approved software that can be used as part of the SOE. For further details refer to the Parliament's intranet under the section relating to Information Services/Information Technology.
 - The software purchased for use on Parliament supplied computers or standalone desktop or notebook computers is not to be used for political campaigning or electioneering purposes.
5. Members may use the entitlement to engage a suitably qualified independent professional to manage their financial record keeping to monitor their use of their additional entitlements in the form of fixed allocations to ensure they do not exceed their entitlements. These services are not to be used for any other purposes including the preparation of the Member's tax return.

Procedures relating to claiming

Members can pay the account and then seek reimbursement or elect to have the Parliament pay the provider directly. Either option can be exercised using the following claim form: LSA 1 'Application for payment from the LSA for general expenses'

The original tax invoice must be attached and the Member must retain a copy for audit purposes.

Procurement policies and practices

The Determination specifies that use of the LSA entitlement to purchase printing and stationery items is to be in accordance with Parliamentary procurement policies and practices.

Members may seek an appraisal of their publication material from Members' Services. Members may supply a proof copy of the publication to Members' Services prior to printing, to confirm that the content complies with the guidelines. All requests should be forward to: MSPublications@parliament.nsw.gov.au.

The Member will receive a written assessment from Members' Services that will advise on whether the content is in accordance with the provisions of the PRT and guidelines determined by the Department of Parliamentary Services (DPS).

Members may requisition stationery and printing through the Parliamentary stationery store or Parliamentary Printing Services and have the cost debited against their LSA. The amount debited to

the LSA excludes GST. Alternatively, Members may personally arrange for the supply of stationery or printing work from a private company.

This arrangement is subject to:

- The Member having sufficient LSA funds available.
- Rates being considered reasonable and consistent with normal market rates for items of a like nature

For individual purchases exceeding \$30,000 in value, three written quotations are required which are to be forwarded to the Manager, Members' Services for approval prior to any purchases or commitments being made.

If the Member purchases direct from the supplier or printer and effects payment personally, a request for reimbursement can then be made (subject to sufficient LSA funds being available) to Members' Services. An original tax invoice and a copy of the publication must accompany the claim form.

The Member should retain a copy of the printed item along with a copy of the invoice, for audit purposes.

For specific stationery items to be ordered through the Parliament's stationery store or for printing work undertaken in-house the Member must complete and sign a written requisition signed by the Member and forward it to the Stationery Store or to Printing Services. Subject to the Member having sufficient credit available in their LSA and the proposed purchase or printing work complying with the PRT and the Parliament's Guidelines, an official order will be issued in the Parliament's name. Payment will then be made direct to the supplier on receipt of advice that the goods or services have been satisfactorily supplied to the Member concerned.

Members are advised that courier or freight charges for items required to be delivered to electorate or home offices from Parliament House or direct from suppliers are to be met from the LSA.

7.4 Travelling allowance for recognised Office Holders

The PRT Determination provides for a travelling allowance entitlement payable to Recognised Office Holders may claim for travel expenses incurred when travelling in relation to the Office they hold if they are not funded from another budget (eg Ministerial, Leader of the Opposition's vote). Travel expenses that may be claimed against the entitlement include accommodation, meal and incidental expenses.

The 2010 Determination specifies the following conditions pertaining to this entitlement.

1. Recognised Office Holders are to be reimbursed travelling expenses when travel is undertaken in association with their role as a Recognised Office Holder only. The allowance does not apply when a Member travels on Parliamentary business in their own capacity.
2. Recognised Office Holders are eligible to claim reasonable actual travelling expenses for overnight absences from Sydney or their electorate/principal home residence. Where no overnight absence is involved, reasonable actual meal expenses may be claimed.
3. Payment of travelling allowance will be subject to the production of tax invoices/receipts relating to accommodation, meal and other incidental expenses.

4. A Recognised Office Holder whose approved relative accompanies him or her to State or other official functions and who consequently incurs expenses in respect of meals and accommodation exceeding the allowance to which her or she is entitled, will also be entitled to be reimbursed the additional expenses associated with the approved relative.
5. Those Recognised Office Holders for whom non-parliamentary funded budgets are provided are to meet travel allowance costs from those budgets and not from the Parliament.

Entitlement

The indicative upper limits for travel expenditure as specified in the 2010 PRT Determination are outlined in the table below.

Claiming the entitlement

Recognised Office Holders wishing to claim additional travel expenses must complete the 'Application for Payment of Travel Allowance for Recognised Office Holder – TRAVEL 3' form and submit it to Members' Services along with the original tax invoice.

The Member should retain a copy of the tax invoice and any documentation relating to the claim and reason for the travel for audit purposes when required.

Multiple Office Holders

The Parliamentary Remuneration Tribunal has advised that Recognised Office Holders who hold more than one 'office' may only make one claim per incidence of travel, which is related to the primary purpose for which the travel is undertaken.

Other Funding Arrangements

As acknowledged under condition 5 of the Determination, the Parliament is responsible for payment of travelling allowance for those Recognised Office Holders for whom it has budget responsibility for. Recognised Office Holders who are funded from non-Parliamentary budgets must seek reimbursement through those funding arrangements. Travelling expenses incurred by Ministers, the Leader and Deputy Leader of the Opposition and Leader and Deputy Leader of a recognised political party are to be met from the Ministerial budget or Leader of the Opposition's vote administered by the Department of Premier and Cabinet.

Office Holder	Capital Cities		Other Areas	Where no over-night stay is required
Group 1 Premier, Deputy Premier, Senior and Other Ministers, President and Speaker, Chairman of Select, Joint, Standing and Public Accounts Committees, Leader of the Opposition in LC & LA, Deputy Leader of the Opposition in LA, Deputy Speaker and Deputy President, Assistant Speaker and Assistant President, Parliamentary Secretary (Leader of the House) LA, Deputy Leader of the Opposition LC.	\$416.00 (Brisbane, Melbourne, Perth)	\$357.45 (Adelaide, Canberra, Darwin, Hobart)	\$327.00	Actual reasonable meal expenses

<p>Group 2</p> <p>Deputy Leader in the LC (other than the Leader or Deputy Leader of the Opposition) of a recognised party not fewer than 9 Members of which are Members of the LC and of which no Member is a Minister</p> <p>Leader and Deputy Leader of a Recognised Political Party of which not less than 10 Members are Members of the LA.</p> <p>Government and Opposition Whips, Deputy Government and Deputy Opposition Whips, Parliamentary Secretary, Whip in the LA of a recognised Political Party, not fewer than 10 Members of whom are Members of the LA, Deputy Whip in the LA of a recognised political party not fewer than 40 Members of which are Members of the LA, Members of Select, Joint Standing, Standing and Public Accounts Committees</p>	\$351.50 (Brisbane, Melbourne, Perth)	\$293.50 (Adelaide, Canberra, Darwin, Hobart)	\$214.30	Actual reasonable meal expenses
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Chapter 8: Entitlements for non-metropolitan Members

The Sydney Allowance is provided to Members who reside in non-metropolitan electorates to compensate for the additional costs including commercial accommodation, meals and incidental costs associated with staying in Sydney to attend sessions of Parliament, meetings of Parliamentary committees or other Parliamentary business. For the purpose of this allowance the non-metropolitan electorates (Electorate Groups 2-7) have been divided into 2 categories based on their distance from Sydney.

Members of the Legislative Assembly who reside in Electorate Groups 2 to 7 and Members of the Legislative Council who reside in zones 2 or 3 qualify for return air travel warrants between their electorates/zones and Sydney. These entitlements are provided for the performance of their Parliamentary duties.

8.1 Entitlements for non-metropolitan Members

Members whose principal place of residence is outside the Sydney metropolitan area are provided access to the following additional entitlements:

- The Sydney Allowance
- Electorate (home) to Sydney Travel

Together, these two entitlements provide non-metropolitan Members with travel to and from Sydney and the means to stay in Sydney.

8.1.1 Principal Place of Residence

The Parliamentary Remuneration Tribunal considers the Member's principal place of residence to be that residence where the Member would normally return and reside when not attending Sydney on Parliamentary duties.

Generally, it will be a simple matter for a Member to determine his or her principal place of residence. However, there will be Members who have more than one residence, including a residence in Sydney and a residence in a non-metropolitan area. These Members may spend substantial periods of time in Sydney as a result of Parliamentary duties.

The Department of Parliamentary Services has developed guidelines to assist Members in determining where their principal place of residence is. These guidelines 'Sydney Allowance Administrative Guidelines – Determining Principal Place of Residence' are available on the Parliament's intranet site and are distributed to non-metropolitan Members annually with their Sydney Allowance election form. In summary, the guidelines pose the following questions to a Member:

- Does your family reside in the property?
- Do you usually return to the property when not required in Sydney on Parliamentary business?
- Is this the property you stay at most on a regular basis?
- Is your mail (i.e. phone bills, personal mail, general household bills etc) usually directed to this residence?
- Is this the property at which you keep the majority of your personal possessions?

- Is this the address shown on your Drivers Licence?
- For Legislative Council Members – are you a recognised active Member of the local community?
- If you own the property, is it exempt from capital gains tax?
- Is the property a holiday home or a place you use to ‘get away from it all’?

Members whose principal place of residence is outside the Sydney metropolitan area must provide evidence that they are on the electoral roll at this residence plus a copy of their driver’s licence or home telephone account showing the address of their nominated principal place of residence. Other forms of evidence can also be provided such as a rental agreement, electricity account or council rate notice.

A Member’s principal place of residence could change over time due to an increasing Parliamentary workload and/or changing family circumstances. The Member is responsible for acknowledging and acting on any change in circumstance by bringing it to the attention of the Manager Members’ Services to enable entitlements to be adjusted.

8.1.2 Category 1 and Category 2 Electorates

The Tribunal has divided the non-metropolitan electorates into two categories, based on distance from Sydney. They are listed in Schedule 2 Sydney Allowance Groupings of the 2010 PRT Determination as follows:

Category 1			
1.	Blue Mountains	10.	Shellharbour
2.	Charlestown	11.	Swansea
3.	Gosford	12.	Terrigal
4.	Hawkesbury	13.	The Entrance
5.	Heathcote	14.	Wallsend
6.	Keira	15.	Wollondilly
7.	Kiama	16.	Wollongong
8.	Lake Macquarie	17.	Wyong
9.	Newcastle		

Category 2			
1.	Albury	10.	Dubbo
2.	Ballina	11.	Goulburn
3.	Barwon	12.	Lismore
4.	Bathurst	13.	Maitland
5.	Bega	14.	Monaro
6.	Burrinjuck	15.	Murrumbidgee
7.	Cessnock	16.	Northern Tablelands
8.	Clarence	17.	Orange
9.	Coffs Harbour	18.	Oxley
		19.	Port Macquarie
		20.	Port Stephens
		21.	South Coast
		22.	Tamworth
		23.	Tweed
		24.	Upper Hunter
		25.	Wagga Wagga

Members whose principal place of residence is in either category 1 or category 2 electorates listed above are entitled to the Sydney Allowance and Electorate (home) to Sydney Travel.

8.2 Sydney Allowance

The 2010 PRT Determination provides for the payment of a Sydney Allowance to Members who reside in non-metropolitan electorates to compensate for the additional costs associated with staying in Sydney to attend sessions of Parliament, meetings of Parliamentary committees or other Parliamentary business. The additional costs include commercial accommodation, meals and incidentals.

The Determination specifies that a Member must complete the Parliament's Checklist to establish their principal place of residence and certify the residence nominated as the principal place of residence. This checklist and certification forms part of the 'Sydney Allowance Election Form SA-001'. The questions on the checklist correspond to the guidelines established by the Department of Parliamentary Services, discussed above under 'Principal Place of Residence'.

8.2.1 Entitlement

The daily rate including the number of overnight stays for the Sydney Allowance are specified each year in the annual PRT Determination. The 2010 Determination specifies the rates as:

Office	Principal Place of Residence	Overnight stays p.a	Overnight in Sydney where accommodation costs incurred	In transit to and from Sydney where no overnight stay is involved
Minister, Speaker, President, Leader and Deputy Leader of the Opposition (Assembly & Council), Leader of Third Party in Assembly with not less than 10 Members	Category 1 or 2	180	\$253	Actual reasonable expenses for meals and incidentals up to a maximum of \$77.55 per day
Deputy Speaker, Legislative Assembly, Deputy President and Chair of Committees (Legislative Council), Whip and Deputy Whip (Assembly and Council) Parliamentary Secretary, Deputy Leader of Third Party in Assembly with not less than 10 Members	Category 1 or 2	140	\$253	As above
Chairs of Standing/Select committees	Category 1 or 2	140	\$253	As above
LC Members	Category 2	135	\$253	As above
	Category 1	105	\$253	As above
LA Members	Category 2	135	\$253	As above
	Category 1	105	\$253	As above

A Member electing to be paid the daily rate will be entitled to the daily rate for the number of overnight stays specified in the above table, unless he/she exceeds the maximum number of overnight stays per annum, at which time actual costs up to the daily maximum will be reimbursed.

8.2.2 PRT Conditions

The 2009 Determination specifies the following conditions to apply to the Sydney Allowance entitlement:

1. A Member can choose to receive the Sydney Allowance as either an annual fixed allowance or a daily rate. The election is to be made at the commencement of each financial year.
2. If a Member chooses to receive the annual allowance, the Payroll Supervisor will calculate the annual entitlement by multiplying the number of overnight stays applicable to the particular Member or Recognised Office Holder by the daily rate.
3. In order to receive the Allowance, each Member must certify to the Executive Manager, Department of Parliamentary Services their principal place of residence.
4. Where a Member chooses to receive the daily rate of allowance the Member shall receive the overnight daily rate as specified in the above table. The Member is entitled to the number of overnight stays per annum specified in the above table without the need to substantiate to the Parliament expenses up to the daily rate.
5. Where a Member chooses to receive the daily rate of allowance and the Member exceeds the number of overnight stays Members will be reimbursed actual costs, up to the daily maximum upon the production of tax invoices/receipts for each such occasion.
6. Members in receipt of the Sydney Allowance when travelling to Sydney for parliamentary business or home from Sydney and where there is no overnight stay required en-route will be entitled to reasonable actual expenses to the maximum provided in the 'In transit...' Column of the above table. This rate is only applied when the Member is travelling to Sydney or travelling home from Sydney following an overnight stay. Members may not claim the in transit allowance if they have exceeded the allocated number of overnight stays applicable for receipt of the Sydney Allowance.
7. When in receipt of the annual allowance Members are required to certify at the end of the financial year the number of occasions they stayed in Sydney and that on each occasion the stay was for Parliamentary business. Members who nominate to receive the annual allowance cannot claim for additional overnight stays in excess of those specified in the above Table.
8. Members are required to maintain records or other relevant proof that clearly document the occasions they stayed in Sydney in connection with their Parliamentary duties. Subject to the proviso below, Members attending Parliament House on Parliamentary business when Parliament is not sitting are required to sign in and out of the Parliamentary Register as proof of being in Sydney. On those occasions where Members are in Sydney on Parliamentary business are not required to attend Parliament House e.g. attending a function, then the Member must provide sufficient proof to the Executive Manager to substantiate each such occasion. Provided, however, it will be sufficient for Members to provide entries from their diaries, or other forms of documentary proof, acceptable to the Executive Manager to certify as proof of their attendance in Sydney.
9. Members in receipt of the annual amount will be required to provide their annual reconciliation for payments made in the previous financial year and, if applicable, return to Parliament any part of the annual amount that they have not substantiated by 30 September each year or within 30 days of ceasing to be a Member.
10. Members who do not reimburse outstanding amounts by 30 September each year are to have

their annual entitlement suspended and are to revert to the daily rate of Sydney Allowance until the reimbursement is made.

11. Members are not to claim the Sydney Allowance if they stay in Government owned or funded accommodation, including Parliament House.

8.2.3 Payment Options

As specified under PRT Condition 1, a Member can elect to receive the Sydney Allowance as an annual allowance paid monthly or alternatively, can claim the daily rate for each incidence of use. This election is made on the Sydney Allowance Election Form SA-001 at the commencement of each financial year.

Daily allowance

As specified in the PRT conditions above, the daily allowance allows the Member to claim on an ongoing basis throughout the year. Payment is provided to the Member for each overnight stay claimed, up to the maximum number of nights specified in the Table above. Members do not need to provide receipts or other proof of expenditure to receive the daily allowance. They do, however, need to provide evidence that they were in Sydney on Parliamentary business. Members who exceed the maximum number of nights may be reimbursed actual costs up to the daily maximum, provided tax invoices and receipts are provided.

Annual allowance

Members electing to receive the annual allowance will receive a fixed monthly rate payable with the Member's salary. The Member can elect to have the full entitlement advanced or a partial amount advanced based on a specified number of nights, less than the full entitlement. The Member must submit a reconciliation form at the end of the financial year, certifying the number of nights they spent in Sydney on Parliamentary business. Members who have not stayed the number of nights the allowance has been advanced for must refund the residual amount to the Parliament by 30 September each year or within 30 days of ceasing to be a Member.

For example:

A Member residing in a Category 1 electorate receives an annual Sydney Allowance of \$26,565 (105 nights x \$253). The Member has only spent 50 nights in Sydney, or can only provide evidence that they spent 50 nights in Sydney. The Member will need to reimburse the Parliament for the unspent portion of the allowance (\$13,915, calculated as 55 nights x \$253) by 30 September of the ensuing financial year.

Members receiving the annual allowance cannot claim for additional overnight stays in excess of those specified in the above Table. However, Members who have nominated to receive an allowance based on a reduced number of nights may claim additional nights up to the maximum number specified in the above Table.

8.2.4 Claiming the Sydney Allowance

'Sydney Allowance Election Form – SA001'.

Members wishing to claim the Sydney Allowance must complete the 'Sydney Allowance Election Form – SA001'.

The form requires the Member to certify their 'Principal Place of Residence' and that they are enrolled at that residence for electoral roll voting purposes. The Member is required to respond to several

questions, designed to assist in the determination of whether the specified residence is the principal place of residence. The Member is also required to certify that they have read and understood all guidelines and conditions related to the payment of the Sydney Allowance.

The form allows the Member to elect the method of payment (annual or daily allowance).

The Member must include with the form:

- Evidence that they are on the electoral roll at the nominated address
- A copy of their driver's licence or home telephone account showing the address of the nominated principal place of residence (if the address has changed since completing the previous election form). Other forms of evidence that may be used include a rental agreement, electricity account or council rate notice.

The form will be distributed to Members for completion on an annual basis. Once the completed form is returned Members' Services will calculate the Members' annual entitlement (number of overnight stays) taking into account those Members who do not wish to be advanced their full overnight stay entitlement and advise Members in writing of this entitlement.

'Sydney Allowance – Overnight Stays in Sydney Only – SA-002'

This form must be completed by Members who have elected to receive the daily allowance for each time they stay in Sydney for Parliamentary business. The Member must certify on the form that they have retained documentary evidence to support the claim that they were in Sydney overnight for Parliamentary business. Evidence must be provided for both the day of the stay and the following day

'Reasonable Actual Expenses – In Transit/En-Route to and From Sydney which includes an Overnight Stay In Sydney – SA-003'

Members who are claiming the Sydney Allowance may also claim reasonable actual in-transit expenses for meals and incidentals up to a maximum of \$82.05 per day on the forward and return journey where there is no overnight stay required en-route. This applies to both single day visits and also for travel involving an overnight stay in Sydney.

The transit allowance cannot be claimed if the Member has exceeded the number of overnight stays applicable for their position.

The Member must attach original tax invoices/receipts to the claim form and certify that they have retained adequate documentation to support the claim.

'Reconciliation Form for Payment of an Annual Sydney Allowance – SA-004'

Members receiving the Sydney Allowance on an annual allowance basis will be required to complete this form at the end of the financial year. The Member must certify that they have documentary evidence to support the claim they were in Sydney on Parliamentary business on non-sitting days and that they have retained supporting documentation for audit purposes.

8.2.5 Substantiation

A Member does not need to provide substantiation that they were in Sydney for those days when the House is sitting as attendance records are maintained by both Houses.

However on those occasions that the Member is in Sydney on Parliamentary business and the House

is not sitting, evidence will need to be provided that

- a) they stayed in Sydney, and
- b) the stay was related to Parliamentary duties

The Parliament House Register

If attending Parliament House, Members must sign in and out of the Parliament House Register when they are in Sydney on Parliamentary business and the House is not sitting.

Registers are located on Level 8 at the LA Procedure Office, Level 6 at the Security Station and on Level 11 at the LC Help desk.

If not attending Parliament House on the day or night of the overnight stay and the day immediately following, the Member can satisfactorily substantiate that they were in Sydney by providing:

- Airline boarding passes for arrival and departure from Sydney (where applicable)
- Commercial accommodation receipts
- Receipt of purchase that has the location and is date stamped.
- Credit Card statement/voucher
- Mobile telephone account
- Road toll statement/receipt
- ATM receipt issued in Sydney
- Diary entries

The Member could substantiate that they were in Sydney for Parliamentary duties by:

- Signing attendance in the Parliament House Register
- Providing invitations to function or meetings where the Member has not attended Parliament House but is in Sydney on Parliamentary business
- Providing minutes of meetings that show that the Member was in attendance

8.2.6 Claiming Actual expenses up to the Daily Maximum Limit

A Member who receives the daily rate of allowance and has exceeded the maximum number of days specified in the table above can claim actual expenses up to the daily maximum limit, provided tax invoices and receipts are provided to substantiate the claim.

Members claiming actual expenses will need to verify their presence in Sydney using one of the methods outlined above. In addition, the following guidelines established to assess claims should be observed by Members to in determining if the costs are appropriate.

Commercial accommodation

The cost of commercial accommodation be approved, up to the daily limit in conjunction with meals and incidentals below, subject to the production of appropriate tax invoices/receipts.

Meals

The cost of meals in Parliament House, cafes, and restaurants will be approved, up to the daily limit in conjunction with commercial accommodation above and incidentals below, subject to the production of appropriate tax invoices/receipts. The allowance is provided for the sole use of the Member and should be limited to expenditure for the Member. The allowance does not provide for costs incurred

by a spouse/approved relative.

Reasonable costs relating to alcohol consumed with a meal under the circumstances described above will be approved. Alcohol purchased in isolation will not be approved.

Grocery bills for food items may be approved, up to the daily limit in conjunction with commercial accommodation above and incidentals below. The quantity and frequency of grocery bills should be 'reasonable' and consistent with the number of overnight stays claimed.

Other items within a grocery or general shopping bill such as toiletries, cosmetics, insecticides, pharmaceuticals and kitchen utensils/crockery will not be approved.

Incidentals

The types of items that are generally considered to be incidental to the travel would include laundry/dry cleaning costs, car parking at the hotel/accommodation (relating to the overnight stay), together with newspapers or a telephone calls (if not using a mobile)

8.2.7 Items that will not be reimbursed from the Sydney Allowance

Examples of items that will not be reimbursed from the Sydney Allowance when claiming actual expenses once the daily limit has been exceeded are:

- Alcohol (without a meal)
- Pharmaceuticals
- Pesticides/aerosol sprays
- Deodorant
- Furniture polish
- Medications
- Hairspray
- Bandages, thermo skins, etc.
- Light globes
- Mouth wash
- Lozenges
- Razors and razor blades
- Shaving cream
- Shoes
- Soap
- Feminine Hygiene products
- Tissues
- Toilet paper
- Toothpaste
- Vitamins and supplements

8.2.8 Changes in residential circumstances

Any changes to a Member's residential circumstances and principal place of residence must be advised to the Manager, Members' Services within seven (7) days of the change taking place. The Member can provide notice of this advice by completing the 'Sydney Allowance Election Form – SA001'.

8.2.9 Taxation of Allowance

The current allowance is based on actual overnight stays and is below the Australian Taxation Office's reasonable limit for an overnight stay in Sydney. Because of this, the allowance is not taxable and will not appear on a Member's annual PAYG payment summary.

If Members wish to claim tax deductions for expenses incurred in excess of the allowance, a summary statement can be provided at the end of each financial year advising Members of the actual amount of Sydney Allowance paid to them by the Parliament.

8.3 Electorate to Sydney Travel

The 2010 PRT Determination provides for the provision of return air travel entitlements for Members who reside in non-metropolitan electorates: Each eligible Member receives 104 single economy class journeys per annum between the electorate and Sydney. The entitlement is provided to:

- Members of the Legislative Assembly in Group 2-7 Electorates (Schedule 1 of 2009 PRT)
- Members of the Legislative Council in Zones 2 or 3 Electorates (Schedule 2A of the 2009 PRT).

Recognised Office holders are also entitled to the following additional electorate to Sydney travel entitlements per annum:

Office Holder	Additional Electorate to Sydney travel entitlement
Minister of the Crown	32 single journey entitlements
Speaker of the Legislative Assembly	32 single journey entitlements
President of the Legislative Council	32 single journey entitlements
Leader of the Opposition Assembly and Council	32 single journey entitlements
Leader of Party (not less than 10 Members in the Legislative Assembly)	32 single journey entitlements
Deputy President and Chair of Committees, Legislative Council: Assistant Speaker, Legislative Assembly	32 single journey entitlements
Deputy Speaker	32 single journey entitlements
Deputy Leader of the Opposition Assembly and Council	16 single journey entitlements
Deputy Leader of Party (not less than 10 Members in the Legislative Assembly)	16 single journey entitlements

The entitlement is provided for the performance of parliamentary duties.

8.3.1 PRT Conditions

The 2010 Determination specifies the following conditions to apply to this entitlement:

1. All electorate to Sydney travel and return is restricted to economy class
2. Entitlements may be used to meet the cost of using a private motor vehicle or rental vehicle in lieu of electorate to Sydney air travel. The amount to be reimbursed for this purpose is not to exceed the commercial airfare for an equivalent distance flight.
3. A minimum of one entitlement is required to be surrendered for each single journey; a return trip will require the surrender of at least two warrants
4. Entitlements are not transferable between Members, or approved relatives or Members' staff
5. Members may use electorate to Sydney entitlements to defray part of the cost of intrastate and interstate Parliamentary travel when such travel is via Sydney
6. Members may charter a plane in lieu of travelling on commercial flights provided that travel is for electorate and/or Parliamentary business and that sufficient entitlements based on the equivalent commercial cost of each person travelling are surrendered. The cost of Member's approved relative travelling on the charter is to be met from the Members' Logistic Support Allocation. It is a condition of all air transport charters that the Member responsible for organising the charter obtains a passenger manifest from the charter operator and attaches it to the invoice when it is sent for payment.
7. A Member's air transport booking for Parliamentary duties and that of their spouse/approved relative and staff are to be made by the Member with an appropriate transport provider.
8. Members will need to maintain records or other relevant evidence that clearly document the occasions they travelled to Sydney in connection with their Parliamentary duties. A copy of this documentation including airline boarding passes if travelling by commercial air is to be retained for subsequent review by internal and/or external auditors if required.

In addition to the above conditions, the provisions contained in the Department of Premier and Cabinet Memoranda 'M2009/04-Official Travel within Australia and Overseas' and the associated Policy on Official Travel within Australia and Overseas will be applied to Members. The policy states that: 'The lowest logical fare of the day is to be used'. This means the cheapest fare available meeting the Member's logistical needs. In addition, economy class must be used for all Australian travel with the exception of flight to Western Australia and Northern Territory for which business class fares may be purchased.

8.3.2 Claiming the entitlement

Air Travel

Members may utilise the NSW Government travel contract with Carlson Wagonlit Travel (CWT). Should a Member wish to use the corporate account for travel purposes, they should contact Members' Services to obtain the account number and details of how to book a flight.

Alternatively, Members may make air transport bookings with an appropriate transport provider and meet the cost initially and then seek reimbursement or request that the provider be paid directly where the Member has established a charge account.

Once the travel has been undertaken Members should submit an 'Application for Payment of Air Travel – Travel 1' to Members' Services. The Member must note on the form that the Home/Electorate to Sydney (HE) entitlement is to be used. The Member must attach an original tax invoice and certify that adequate documentation (including a copy of the invoice) has been retained for audit purposes.

Private and Rental Vehicle

Members' may elect to drive a vehicle (private, rental or hire) from their electorate/principal place of residence to Sydney. However, reimbursement of vehicle costs is limited to the value of an equivalent distance economy class airfare and the following restrictions apply:

1. Should commercial air services operate from the Members' closest approved airport, private vehicle travel will only be reimbursed for actual kilometres travelled (at the applicable ATO cents per kilometre rate) up to the value of an equivalent distance economy class airfare.
2. If no commercial air travel services are available, private vehicle travel will be reimbursed for actual kilometres travelled at the applicable ATO cents per kilometre rate.
3. Should commercial air services operate from the Members' closest approved airport, rental and hire vehicle travel will only be reimbursed for actual costs incurred up to the value of an equivalent distance economy class airfare.
4. If no commercial air travel services are available, rental and hire vehicle travel will be reimbursed for actual costs incurred, up to the value of the Members' usual private vehicle reimbursement total.

Note: The reimbursement rate per kilometre is the same ATO rate used for LSA vehicle travel. Members' using a third party vehicle are reimbursed at the casual cents per kilometre rate which is 40% of the ATO business rate. Travel from a Member's home or electorate office to the airport and return is claimable from the Member's LSA if the airport is located in a different electorate from where the Member resides. If located in the same electorate Members of the Legislative Assembly are ineligible to claim reimbursement for these travel costs from their LSA or electorate to Sydney travel entitlement.

8.3.3 Substantiation

Members are required to maintain records that clearly document the occasions they travelled to Sydney in connection with Parliamentary duties. Such documents could include:

- Airline boarding passes
- Passenger manifests for Charter Transport
- Receipts for petrol purchases for private vehicle claims
- Signing attendance in the Parliament House Sydney Register

Chapter 9: Entitlements for Members of the Legislative Assembly

This chapter gives a general overview of the additional entitlements available to all or some Members of the Legislative Assembly. The information provided is based on the 2010 Determination of the Parliamentary Remuneration Tribunal (PRT). As the PRT makes annual determinations, Members should ensure that they refer to the latest determination when making decisions about the use of their entitlements.

The allowances considered here are:

- *Electorate Mail-Out Account*
- *Electorate Charter Transport*
- *Additional Temporary Staff*

9.1 Electoral Mail-Out Account

Members of the Legislative Assembly are provided with an annual amount determined by the PRT to be expended for the following specific purposes:

- A. For preparing, printing and distributing newsletters and letters to constituents in his/her electorate.
- B. In the event of a redistribution of electorate districts, Members may use the entitlement to communicate with prospective constituents who at the next election following the gazettal of the new districts will become constituents of the Member.

The 2010 PRT Determination specifies the following conditions to apply to the use of the Electorate Mail-out Account

1. The Electorate Mail-out Account (EMA) will be established and maintained by the Executive Manager, Parliamentary Services. Members will be provided with a monthly account balance.
2. Members are to fund the cost of preparing, printing and distributing letters/newsletters to each constituent in their electorate and for no other purpose.
3. All procurement will be in accordance with Parliament's purchasing policies.
4. The allocation will not be supplemented. Any additional costs may be met from the Member's LSA.
5. Unused allocations are forfeited at the end of the financial year.
6. Printing and distribution of newsletters/letters from the EMA is to be in accordance with the Parliament's administrative guidelines.
7. Communication with prospective constituents following gazettal of electoral districts will be limited only to those electors who will transfer from adjoining electorates to the new electorate.

Each Member will receive these details from the State Electoral Office.

8. Communication with constituents/prospective constituents will be limited to matters affecting the Member's electorate.

9.1.1 Entitlement

The entitlement is based on the number of Electors in each Members Electoral District. A Member is allocated approximately \$1.30 for each constituent registered on the electoral roll for his or her electorate. The number of constituents registered is obtained by the PRT from the State Electoral Office each year at the time of making its annual determination. The PRT publishes both the number of enrolled electors and the annual dollar entitlement for each Member in Schedule 4 of its Annual Determinations.

Members are provided with a budget allocation for the dollar amount shown in Schedule 4. Cash advances are not provided and funds are drawn-down as expenditure is incurred.

9.1.2 Conditions of Use

The general conditions, guidelines and definitions contained in the PRT Determination apply to claims made against this entitlement.

The EMA cannot be used for electioneering or political campaigning or for the purpose of facilitating Members' participation in the activities of recognised political parties including:

- Activities such as those associated with party Membership drives;
- Mail distributions for non-electorate or non-Parliamentary activities;
- Costs associated with election campaigning for an individual Member;
- Fundraising for a Member's own political use and/or other party political Members (such as the purchase of raffle tickets, raffle prizes or tickets to attend functions etc);
- Costs previously borne by political parties which are not principally related to a Member's Parliamentary or electorate duties; and
- Costs associated with pre-selection activities.

In addition, the Department of Parliamentary Services has established the following administrative guidelines to apply to use of the EMA:

9.1.3 Publications

Publications referred to in this section include any written, drawn or pictorial letters, flyers, brochures and newsletters intended for multiple distribution of not less than 200 copies of the same publication at the same time.

Members may use their EMA to meet the following costs associated with the production and distribution of publications:

- Constituent database address costs;
- Envelope costs;
- Folding and inserting costs;
- Postage and distribution costs;
- Pre-production costs including researching, writing, editing of the text, design, layout and photography costs;
- Printing costs.

For more information, please see the 'Publications Guidelines' located in the Appendix.

Distribution

The month and year of printing is to be shown on the publication and it must be distributed in the same month of printing or the following month.

The publication is only to be distributed within the Member's own electorate except as provided in the PRT Determination provisions relating to electoral redistributions.

Members are not restricted as to the number and size of mail outs, the number of pages, the method of address or the method of distribution of the publications provided they comply with guidelines and sufficient EMA funding is available to meet the associated cost. However the publication is not to be distributed with electioneering or campaign material, which is required to be funded from non-Parliamentary sources.

Due to the logistics involved in printing and distributing publications to each constituent, Members are strongly encouraged to use the services of external printers and mail houses rather than electorate office staff.

Quantities

The goods or services purchased are required to match the size of the mail-out. For example, a mail-out to 10,000 constituents would require 10,000 newsletters or letters, 10,000 envelopes and postage charges for 10,000 letters etc. Any additional quantities ordered shall be treated as an LSA expense subject to available funding.

Quotations

If the printing work is undertaken in-house, Parliamentary Printing Services can provide a written quotation for acceptance by the Member prior to proceeding with the work.

Alternatively, Members may wish arrange for the printing work to be undertaken by an external private company. If external printers undertake the printing work, Members may wish to obtain written quotations prior to proceeding. Quotations should also be obtained from mail houses and private letterbox delivery providers if these services are to be utilised. Provision of such quotations which should include GST eliminates subsequent disputes at to the amount charged for such services.

This arrangement is subject to:

- The Member having sufficient LSA funds available.
- Rates being considered reasonable and consistent with normal market rates for items of a like nature

For individual purchases exceeding \$30,000 in value, three written quotations are required which are to be forwarded to the Manager, Members' Services for approval prior to any purchases or commitments being made.

Quotations are not required for Australia Post charges.

9.1.4 Use of bona fide businesses or professionals

All work is to be undertaken by persons or organisations who have a registered Australian Business Number and who specialise in that line of work. Public liability insurance cover of not less than \$5 million is also required for contractors if they are working from Members' electorate offices.

9.1.5 Assessment of EMA publication material

Members may seek an appraisal of their publication material from Members' Services. Members may supply a proof copy of the publication to Members' Services prior to printing, to confirm that the content complies with the guidelines. All requests should be forward to: MSPublications@parliament.nsw.gov.au. The Member will receive a written assessment from Members' Services which will advise on whether the content is consistent with the provisions of the PRT and guidelines determined by the Department of Parliamentary Services (DPS).

Members who do not have to have their publications pre-appraised will be fully accountable for ensuring all content is in accordance with PRT conditions and DPS guidelines. Breaches of these conditions and guidelines may result in Members having to meet the cost of producing and distributing such publications personally.

Administrative Guidelines

The EMA amount is allocated to eligible Members each financial year. Members will be provided with a balance of their account each month.

The actual date of service or supply will determine which financial year the transaction will be recorded in. The PRT determination precludes the carry-over of unexpended funds in a Member's EMA to the following financial year.

If the EMA is over-expended in any one financial year, the over-expenditure is to be met either from the Member's LSA, provided sufficient funds are available, or if sufficient funds are not available, the Member's personal finances. The EMA will not be supplemented.

Claiming the Entitlement

The Member must complete the 'Application for Payment from Electorate Mail Out Account – EMA' form to make a claim. The Member may meet the cost initially and then seek reimbursement. Alternatively, the Member may request that the provider be paid directly.

The claim form must be submitted within 60 days of the cost being incurred.

An original tax invoice must accompany the claim form.

The Member must retain adequate supporting documentation, including a copy of the tax invoice and publication, for presentation for audit purposes.

Items and Services not approved

Routine office Correspondence

The EMA is not to be used for routine office correspondence for which the LSA is provided.

Third party publication

The EMA cannot be used to issue publications on behalf of a lobby group, political party, charity or

other special interest group as Members' entitlements are provided for the sole use of the Member. The PRT has issued a ruling that Members may utilise their electoral allowance to fund expenditure associated with the cost of printing material on behalf of community groups.

Certain publications

The EMA cannot be used to publish:

- New constituent welcome letters
- A survey form seeking feedback from constituents
- A petition unless accompanied by a publication
- Reply paid or return address envelopes enclosed with publications
- Invitations to attend meetings or morning/afternoon teas unless incorporated as a secondary component of the information provided.

These costs may be met from the Member's LSA.

Election time Usage

Use of the EMA for bulk mail-outs is not permitted from the last day available for the issue of the writs for a general election. Mail-outs are required to be both printed and distributed by this date.

Pre-purchase

Members are not permitted to pre-purchase letterhead, paper, envelopes, postage stamps or other services for future mail-outs.

Equipment

The EMA cannot be used for the purchase, lease or rental of equipment to be used for the purpose of producing or despatching of publications.

Consumables

The EMA cannot be used for meeting the cost of Parliament House or electorate office photocopier usage charges or toner for computer printers and consumables for printers.

Staff

Members are not permitted to use their Electorate Mail-out Account entitlement to directly employ additional staff or have them paid via the Parliamentary payroll to undertake any of the mail-out tasks. Members may however utilise their Additional Temporary Staff (ATS) entitlement for this purpose with the salary costs being met from the ATS entitlement and not the EMA.

Family Members

For probity reasons and to avoid possible conflicts of interest, Members are not permitted to contract their relatives, or approved relatives (see following definitions), electorate staff or other staff who are on the Parliament's payroll to perform any EMA work for which an invoice is issued for payment from a Member's Electorate Mail-out Account. This applies irrespective of whether such work is undertaken during or outside normal working hours.

In addition, prior to Electorate Mail-out Account work being undertaken by a business employing a spouse or approved relative of a Member or Electorate Officer/Parliamentary employee for which a fee is charged, prior approval is required to be sought in writing from the Manager, Members' Services.

A relative is defined in the Constitution (Disclosures by Members) Regulations 1983 as:

- a) The parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendent or adopted child of the Member or of the Member's spouse, or
- b) The spouse of the Member or of any other person specified in paragraph (a).

The definition of an approved relative, which includes de facto spouse or partner, is contained in the Parliamentary Remuneration Tribunal Determination.

9.2 Electorate charter transport

Legislative Assembly Members who have the largest electorates (Electoral Groups 5-7) are provided with an allowance from which is met Charter Transport costs incurred within their electorates.

The PRT specifies the following conditions that shall apply in respect of this allowance:

1. The allowance will only be used in connection with Parliamentary duties within the Member's electorate and shall not be used during election campaigns or for other electioneering or party political activities. The day following the last day available for the issue of writs shall be used as the effective commencement date of the election campaign.
2. Only the cost of the Member's approved relative or Member of staff accompanying the Member may be met from this allowance.
3. It is a condition of all transport charters that the Member responsible for organising the charter obtains a passenger manifest from the charter operator and attaches it to the invoice when it is submitted for payment to the Parliament.
4. Charter transport will only be used within and for the service of the Member's electorate. Where the closest source of available charter transport to the Member's electorate, electorate office or principal place of residence is outside the boundaries of the electorate, the reasonable additional expenses incurred may be claimed for reimbursement under this Determination.
5. Members may use their Charter Transport Allowance to fly to an airfield located outside their electorate in circumstances where there is no suitable airfield located in the part of the electorate being visited by the Member. In these circumstances the Member would fly to the relevant airfield and then drive back to the electorate to conduct electorate business.
6. Members may also use the Charter Transport Allowance to attend regional or other meetings within an adjoining electorate relating to matters affecting their electorate. Members will need to maintain and retain records that verify the purpose of the journey and how it relates to electorate business for audit purposes.
7. A Member representing the Electorate of Murray Dowling and a Member representing the Electorate of Barwon who flies his/her own aircraft, may claim reimbursement against this allowance for the cost of the fuel and landing fees.
8. These additional entitlements will be audited annually for compliance. In addition to any internal audit conducted by the Parliament, Members' additional entitlements shall be the subject of an external audit conducted by the Auditor-General of NSW. The Parliament will meet any audit costs. Members must retain and maintain appropriate records of expenditure.

9.2.1 Definition

Charter transport is defined by the 2010 PRT Determination to mean 'charter transport used with and for the service of the Member's electorate and includes charter aircraft, drive yourself vehicles and any other mode of charter transport that may be deemed appropriate in the circumstances by the Speaker of the Legislative Assembly.

9.2.2 Entitlement

The 2010 Determination provides the following entitlement for Members of the Legislative Assembly in the groupings specified:

Electorates	Entitlement
Group 5	\$7,180
Group 6	\$11,730
Group 7	\$21,690

The Member may use the entitlement for approved relative and staff Member travel by Charter Transport.

The entitlement is provided on a financial year basis. There is no provision to carry over unexpended funds into the following financial year. A Member who exhausts their allowance may use available LSA funds to charter transport.

9.2.3 Claiming the Entitlement

The Member responsible for organising the charter obtains a passenger manifest from the charter operator. The original passenger manifest and the original tax invoice must be submitted with the 'Application for Payment of Charter Transport Allowance – CHARTER' when it is submitted for payment to Members' Services.

9.2.4 Substantiation

Members should retain copies of invoices and manifest documentation. In addition, Members will need to maintain and retain records that verify the reasons and purpose of the journey and how it relates to electorate business for audit purposes. This is particularly important for trips using Charter Transport involving travel outside the Member's electorate (see conditions 4, 5 and 6). Supporting documentation could include invitations to attend meetings and minutes of proceedings that record the Member's attendance.

9.3 Additional Temporary Staff

The PRT Determination specifies that each Member of the Legislative Assembly, not elected as an independent, will be provided with a specific budget to enable the recruitment of temporary staff.

9.3.1 Entitlement

Each Member will be provided with a budget each financial year that equates to 61 days salary per annum, at the salary rate payable to an Electorate Officer Grade 2. The budget is adjusted to

accommodate any award salary increases throughout the year.

9.3.2 Conditions

The intention of this entitlement is to provide 'additional' temporary assistance that is supplementary to the Member's fixed staffing allocation.

The general conditions of the PRT Determination relating to Members' entitlements apply to the ATS entitlement, including:

- Work performed by an ATS employee is to be for Parliamentary or electorate purposes only.
- The entitlement cannot be transferred to another Member.
- The entitlement is provided for the purpose of assisting the Member with their Parliamentary duties.

Staff employed using ATS funding can be located in a Member's electorate office or at Parliament House. Members must utilise their existing office accommodation at either location. The Legislative Assembly provides a computer. The LSA may be used to supplement any additional office furniture needs and the Legislative Assembly will modify an office fit-out to accommodate an ATS.

Staff employed using ATS funding must be employed for short periods of time. A Member may engage more than one staff Member at a time using ATS funding. In addition, the staff Member may be employed by more than one Member, provided they are engaged to perform work on different days.

A Member may also use existing part-time staff, provided they are engaged to work on the days they are not already employed and paid for. The days worked using ATS funds will be treated separately from other employment and the employee will not accrue additional leave entitlements from the additional hours.

Staff employed using ATS funds are paid an hourly award salary rate. It is possible for a Member to use the services of a person employed through an employment agency but reimbursement by the Parliament will be limited to the maximum payable for the specified salary rate in the Award. The Member should seek to pay this rate to the agency. If this is not possible, any charges in excess of the award rate will be at the Member's personal expense.

Because of the short term, casual basis staff employed using ATS funds are engaged under, they do not accrue leave entitlements and are not paid for days they do not attend for work.

A spouse, partner or relative of the Member cannot be engaged using ATS funds. ATS funds cannot be used to provide permanent part time work to individuals.

9.3.3 Administrative arrangements

Members are required to complete the form 'Additional Temporary Staff (ATS) Claim and Payment Form' each time they engage a staff Member using ATS funds. Members' Services will provide a monthly report to Members detailing costs incurred and remaining funds.

Members are reminded when their remaining budget is less than \$5,000. The ATS allocation is for a financial year and unspent funds are not carried over to the following financial year. Members who exhaust their funds before the end of the financial year will be personally responsible for any further charges incurred through the engagement of additional temporary staff.

Members need to be aware that monthly ATS expenditure reports are unlikely to be up to date due to payroll deadlines and the delay involved in receiving ATS completed claim forms from Members. Each

monthly report should therefore be checked against the ATS budget spreadsheet maintained within each Member's office to verify the status of information and balances provided in monthly reports.

Further information is available in the document 'Policy and Procedures – Employment of Additional Temporary Staff' which can be accessed on the Parliament's intranet site.

Chapter 10: Equipment, services and facilities extended to Members

This chapter provides information about the equipment, services and facilities the Parliament provides to all Members to enable the efficient performance of their Parliamentary duties.

10.1 PRT Determination

The PRT Determination states that the Parliament is to provide Members with certain equipment, services and facilities necessary to perform their Parliamentary duties. These are considered entitlements provided under the Determination and as such, the general conditions and guidelines prescribed in the Determination apply (see Chapter 1).

The 2010 Determination specifies the following in regard to equipment facilities and services:

1. All Members shall receive at Parliament House, Sydney a fitted out, equipped and maintained office, and secretarial services.
2. Each Member of the Legislative Assembly shall receive a fitted out, equipped and maintained Electorate Office to an appropriate standard. The Member for Murray-Darling and the Member for Barwon is to be provided with an additional electorate office.
3. Each Member shall be supplied equipment and ancillary services in the Member's private residence (or if the Member has more than one private residence then in the Member's principal private residence) including a telephone and a facsimile machine, for the performance by the Member of Parliamentary duties.

The Determination also specifies that Members are to receive administrative support through the provision of staff members. The entitlement and arrangements for Members' staff are discussed in Chapter 11.

10.2 Facilities at Parliament House

Office

Each Member is provided with an office at Parliament House. Rooms are allocated following consultation between the Clerks, Executive Manager-Parliamentary Services, Government and Opposition Whips, independent members of the Legislative Assembly and Cross Bench members of the Legislative Council. All room allocations are submitted to the Presiding Officers for approval. Members cannot relocate offices without the approval of the Presiding Officers.

Members have certain standard furniture and equipment provided in their office at Parliament House. Each office is equipped with a range of items including desks, chairs, credenza, sofa, television and VCR recorder/player, refrigerator and filing cabinet. Other miscellaneous items are provided, such as wastepaper bins, notice boards and glassware.

Additional furniture may be available through Parliamentary Facilities. Members can also purchase

additional standard office furniture items (for example, bookcases, filing cabinets) from the Logistic Support Allocation (LSA) following written request and approval from the Manager, Members' Services (for items valued at or over \$300 ex GST).

Security

The administration of Security is located on Level 8 in the Parliamentary Facilities Office. The Member induction includes a visit to the Security Office where new Members receive an Access Pass, keys for the Member's office, parking details and security guidelines. The Member's safety together with the security of their staff and offices are developed with the Security Manager. For general enquiries Members should visit the Security Office on Level 8.

Car parking at Parliament House is subject to the Parking Space Levy Act and therefore, it is a requirement that Members who request car parking must pay for this service. The **Car Park Access and Parking Regulations** are listed on the Intranet. Yearly Parking and Casual Parking fees apply and these rates are subject to change. *Importantly, members cannot use their LSA to pay for parking fees.*

The Parliament and Electorate Offices are monitored 24 hours a day, 7 days a week from a central Control Room (x2600). NSW Police Special Constables are stationed within the Control Room and throughout Parliament House. The Parliament has an extensive CCTV and security access system.

The following are useful phone numbers:

- Emergency x 2600
- General Enquiries - Security and Parking x 2178
- Security Manager x 2198 (mobile 0438 823 591)

Telephone/Facsimile lines

Members are provided with one telephone extension. A further telephone extension is provided for each full-time equivalent staff member employed by the Parliament on behalf of the Member. A further phone line can be supplied to operate a facsimile machine in the Member's office on request. Extra telephone lines are not available.

International calls

Any member wishing to make an international call from Parliament House may book it through the Parliamentary switchboard by dialing 9. The cost of the call will subsequently be charged to the Member unless they are a recognised office holder and eligible to make such calls for parliamentary business purposes.

Telephone conference facilities

Telephone conference facilities are available to Members at Parliament House with the cost being an approved LSA expense, provided the Member participates in the conference and the call is for parliamentary business purposes. To make a conference call booking Members need to contact Parliament Facilities, Maintenance staff on x2500. Members should be aware that such calls may incur a substantial cost based on the duration of the call and the number of participants involved.

Voice mail facilities

Voice mail is available to all Members and staff via the PABX system. Voicemail can be remotely controlled via any telephone, either from the building or elsewhere in the public network. A voice mail facility may be established by calling Parliament Facilities, Maintenance staff on x2500.

Pager

Members are supplied with a pager that allows them to be contacted by their telephone extension. Pagers may only be accessed within Parliament House via telephone by dialling 7, then 3, then the extension, followed by either a coded message or the caller's own extension number. The Whips use pagers during sittings to summon Members to the House for a division or quorum.

Pagers alarm by vibration, with messages displayed in the window. Up to 10 messages can be stored. The pagers are issued and administered by Parliamentary Facilities. For set up, loss or faults, contact Parliamentary Facilities on extension 2607.

Television and Video Cassette Recorder

The television and VCR in members' offices are for use in the Parliament House offices only. Local channels and a variety of programs on Foxtel are viewable on these televisions. Proceedings of both Houses are broadcast on Channel 4 (Legislative Assembly) and Channel 5 (Legislative Council). Members can arrange to have video or DVD recordings made of news and current affairs programs by contacting the media monitoring service in the Library on extension 2448. For equipment problems, please contact Parliament Facilities, Maintenance staff on extension 2500.

Online Service Requests

Parliamentary Facilities has a range of services for Members and employees in Parliament House. Online Service Requests are easy to complete and gives quick responses for our clients. Your online request sends a work order directly to the specialist service teams.

Open the **Intranet** HOME page, select DPS and under ONLINE FORMS click New Building Services Request. The services include OH&S Issues, Cleaning and Furniture, Artwork, Carpentry/Building Repairs, Plumbing, Mechanical, Lights and Clocks, Air-conditioning and Fridges, Phone/Fax support, Electrical (Power) and Other Issues (Not Specified).

Loan of other equipment

A portable television, VCR, overhead projector and projection screens are available for use by members in Parliament House. To arrange for the loan of this equipment contact Legislative Assembly Chamber and Support on extension 2637 before 5.00pm on any working day. The equipment is for use on the Parliamentary premises only and must be returned as soon as practicable after use.

Photocopiers

Photocopiers are located on Levels 9, 10, 11 and 12 for the use of Members.

The photocopy machines are accessed by using a PIN Code obtained from Printing Services. Printing Services administers and maintains the equipment. The usage on the machines is read monthly and the relevant cost debited to each Member's LSA Account. The copy charge covers consumables such as paper and toner. Use of the PIN Code constitutes a member's authority to deduct the costs incurred from their LSA and is not to be used to produce copies on behalf of other Members, persons

or organisations in accordance with the PRT Determination. In case of difficulties or faults contact extension 2026.

The photocopying machines are provided to assist Members and staff with immediate short run copying facilities. The machines are not intended to accommodate large printing orders which should be referred to Printing Services.

Printing Services offers the following copying services:

- Urgent jobs (Note; limited number of pages or copies) – processed within a working day, that is, jobs presented by 9.00am will be ready by 5.00pm. Jobs lodged after 5.00pm will be ready the following business day.
- Extremely large/complex and most other jobs – timeframe will be negotiated, based on existing workload

The cost per impression for Printing Services undertaking the work is:

A4 – 60% recycled bond single sided @ 0.036c per copy
A4 – White bond single sided @ 0.037c per copy

Convenience copiers on each floor are charged @ 0.033c per copy. Inquiries should be directed to Parliamentary Printing Services on extension 2026.

Scanner (LC Members)

A computer with a scanner is located in room 1101 for the common use of any Legislative Council Member or their staff employed by the Parliament. Difficulties with the equipment should be reported to the ITS Help Desk on extension 2339.

Folding machines (LC Members)

Three folding machines are provided on Level 11 for use by Legislative Council Members. One is allocated to the Government Whip, one to the Opposition Whip, with the third machine being located in room 1101 for use by Cross Bench members. Difficulties or faults should be reported to the Legislative Council Chamber and Support staff at the desk on level 11 or on ext. 2332.

Computers

Each Member is provided with a computer for the Parliament House office. Each full-time equivalent staff member employed by the Parliament on behalf of the Member is provided with a computer. Each Member and member of staff employed by the Parliament is given a network user identification (id) which provides access to their computer and the Parliamentary network.

Remote access to the Parliamentary network is available to Members and nominated members' staff using a secure id token (for connectivity over a broadband internet connection). The remote access service is provided to Members' staff at a cost to the Member.

All computers supplied by the Parliament are loaded with the Parliament's standard operating environment (SOE). The SOE is comprised of the Windows operating system and a range of network and security applications. The SOE includes the following software applications:

- Microsoft Office (including Word, Excel and Powerpoint)
- Microsoft Publisher (one licence per Member's staff)

- Novell Groupwise (email & calendar)
- Adobe Acrobat Reader
- Picasa photo management

The Parliament has developed a number of policies on the use of hardware and software in order to maintain a high level of security for information stored on the Parliamentary network. All Members should become familiar with the Parliament's Network Access and Intranet and Email Policies.

Under the Parliament's policies, the attachment of non-standard hardware or the loading of non-standard computer software is not permitted. Non-standard hardware and software can create significant performance problems with the computer. In certain circumstances, the Parliament may allow for the use of non-standard hardware and software, subject to testing by ITS to ensure compatibility with the SOE. For a list of hardware and software that has been tested for compatibility with the SOE, please access the following link on the Parliament's Intranet:

<http://bulletin/Prod/corp/its/itsintranet.nsf/0/7EB46C7B9F731839CA256FBE00214037>

Products listed on this site can be purchased out of the LSA. This list is subject to change as new requests are evaluated and older items are superseded. Inquiries regarding computer hardware and software can be directed to the Information Technology Service Desk. While these applications are available and loaded by ITS staff, on-going user support is not provided by the ITS Service Desk.

Printer/Multifunction Device

Each Parliament House office is provided with either:

- a) A networkable black and white printer, or
- b) A multifunction device that provides printer, fax, copy and scan capability.

Service Desk

The Parliament's Service Desk is available between the hours of 8:30am and 5pm Monday to Friday for all computer and mobile phone enquiries. The Service Desk can be reached on extension 2339.

10.3 Home office

Members are entitled to reimbursement of telephone and facsimile rental and call costs in their principal place of residence. For the purposes of home office entitlements, the Parliament only recognises home offices established in a Member's principal place of residence. For further information on how to determine principal place of residence, Members should refer to the relevant guidelines in Chapter 8. The Member may also use the LSA to purchase equipment not already provided by the Parliament for their home office.

10.4 Location/Audit of Assets

An annual audit of assets is undertaken by the Parliament. As part of this process, Members are provided with a form to certify that the assets issued to them are:

- In their custody
- At the location recorded in the assets database
- Are used for parliamentary duties in accordance with the provisions of the current determination.

To assist with audit procedures, assets should not be relocated without prior agreement of the Local Asset Manager or the Electorate Office Management Unit.

All equipment issued to a Member remains the property of the Parliament and must be returned when due for replacement or upgrade.

Members should refer to Chapter 6, which provides information relating to the Parliament's Asset Policy, including disposal processes.

10.5 Electorate Office - Legislative Assembly

In addition to their Parliament House office, Members of the Legislative Assembly are also provided with a local Electorate Office. The Legislative Assembly Electorate Office Management Unit (EOMU) manages this.

For further information on Electorate Offices, Members should refer to the Legislative Assembly Handbook which provides comprehensive information on the services, equipment and facilities provided by the Legislative Assembly and managed by the EOMU.

Chapter 11: Members' Staff

This chapter provides information regarding Members' staff, including the entitlement to staff determined by the Parliamentary Remuneration Tribunal (PRT), recruitment options and conditions of employment for Members' staff and relevant human resources policies and practices.

11.1 PRT Determination

The PRT Determination states that the Parliament is to provide Members with certain equipment, services and facilities necessary to perform their Parliamentary duties. The 2010 Determination specifies that the Presiding Officers are to provide administrative support to each Member in accordance with the following:

- i. Subject to (ii), each Member of the Legislative Assembly shall have two staff members employed at each electorate office
- ii. Each Member of the Legislative Assembly elected as an independent shall have an additional staff member employed at their electorate office.
- iii. Each Member of the Legislative Assembly, not elected as an independent, shall be provided with a budget specific for the recruitment of temporary staff, equivalent to the salary of an Electorate Officer grade 2 (3rd year rate) for a period of 61 days per annum. Within this budget, Members have the flexibility to employ additional staff.
- iv. Each Member of the Legislative Council who is not a Minister, shall be entitled to one staff Member. When the staff Member is on annual recreation leave or other extended period of leave, a relief staff Member may be employed for the period of absence.
- v. Each Member of the Legislative Council who is not a Minister, and who is elected as a cross bench Member shall be entitled to two staff Members.
- vi. Ministers shall receive a reasonable allocation of staff Members.
- vii. The Whip of each recognised political party of not less than ten Members to each be provided with one Member of staff.

Some Recognised Office Holders will receive additional staffing entitlements, through separate budget allocations. For example, the Leader of the Opposition and the Deputy Leader of the Opposition receive additional staffing entitlements funded by Premier's Department. These staff are not administered by the Parliament and staffing matters pertaining to these staff Members should be directed to Ministerial and Parliamentary Services on telephone 02 9228 4443. Shadow Ministers do not receive additional staffing entitlements.

Staff are considered an entitlement provided under the PRT Determination and as such, the general conditions and guidelines prescribed in the Determination apply (see Chapter 1). Members should not request staff to perform activities of a direct electioneering or political campaigning nature, assist in private business activities, party fundraising activities or Membership drives.

11.2 New Members

Where a Member ceases to hold office for any reason, their staff may be retained initially until the requirements of the incoming Member are known.

New Members may elect to retain existing staff or appoint new staff. This decision must be made within two months of the Members taking office.

The staff Member also has two months to conclude their employment. If after three months the Member, or their staff Member, have not notified the relevant Presiding Officer of their intentions, then by default the employment of the existing staff continues.

Where the employment of staff is included under these provisions and they do not have employment elsewhere in the NSW public sector, they are entitled to separation payments detailed below under 'Separation from Service'.

11.3 Classification and role of staff

11.3.1 Legislative Council

Legislative Council Members' staff are classified as Secretary Research Assistants, and are equivalent in salary and grade to a Clerk Grade 4/5 on the NSW Public Sector Administrative and Clerical Officers classification.

Secretary Research Assistants are provided to Members to perform a variety of administrative and research duties, including:

- Establishment and maintenance of information, records and filing systems to ensure accuracy and accessibility;
- High level administrative support, including information gathering, photocopying, faxing, stationery maintenance, mail receipt and dispatch, and management of the Member's Parliamentary records and allowances;
- Drafting complex correspondence, memoranda, press releases, reports, minutes, speeches, parliamentary questions and transcripts;
- Managing the Members' diary and organising travel, conferences, functions, meetings and other commitments;
- Responding to inquiries from the public, constituents and other sources with written and verbal information;
- Providing a reception service including screening and/or redirecting calls, receiving Members' visitors and maintaining message books.
- Undertaking research projects, analysis of information and providing advice to Members.

This is not a definitive list and a full position description is available on the [Parliament's intranet site](#).

11.3.2 Legislative Assembly

Legislative Assembly Members' staff are classified as either Electorate Office Grade 1, Electorate Officer Grade 1 Special Salary Scale, or Electorate Officer Grade 2. In addition, independent Members are entitled to employ a Research Assistant. Each classification and grade have differing responsibilities, a

summary of which follows.

Electorate Officer Grade 1 duties:

- Provide information and assistance to constituents and make representations on their behalf to various Government bodies
- Liaise with, provide advice and organise functions and events for community groups and the general public
- Liaise with the local media and maintain an awareness of local issues.
- Diary management, correspondence, office equipment maintenance and other office support.

In addition an Electorate Officer Grade 1 may be entitled to a 'special salary scale' rate if on a regular basis they undertake the following duties with minimal assistance:

- Research
- Preparation of speeches and non-routine correspondence
- Constituent interviews

Electorate Officer Grade 2 duties:

- The Electorate Office Grade 2 will perform and/or be responsible for the same duties as an Electorate Officer Grade 1 and will also be responsible for managing the overall efficient running of the Office.

Research Assistant duties:

- Undertaking complex research projects
- Analysis of information from varied sources
- Provision of written and oral advice to Members

The full position descriptions for Electorate Officers are available on the [Parliament's intranet](#).

The Electorate Officers have their own award, the Crown Employees (Parliamentary Electorate Officers) Award, which determines terms and conditions of employment. The full award is available on the [Parliament's intranet](#) site. A summary of conditions of employment is provided in this Chapter.

11.4 Employment Status

Members' staff may be employed through the following arrangements:

- Short term relief (casual employment)
- Long term relief (temporary employment)
- Permanent and ongoing employment

In addition employees may be engaged on a full-time or part-time basis.

11.4.1 Short-term relief (casual employment)

Short-term relief or casual employment may be offered if the work is:

- Available on an irregular or intermittent basis
- Available on a short-term basis
- Becomes available as a result of an urgent need or emergency situation.

A short-term relief employee is not entitled to leave and is paid 1/12th of gross earnings in lieu of recreation leave on termination.

Short-term relief staff can be engaged to fill a vacant position if the occupant of the position is on leave or providing relief in another position. Short term relief staff cannot be employed for less than one full day.

In the case of Electorate Office staff, if the EO 1 staff Member is relieving in the EO 2 position, a relief staff member may be engaged to fill the vacant EO 1 position. If the relief staff member is engaged to fill the EO 2 position, the Member has the discretion to either pay the relief person at EO 1 salary or EO 2 salary. Payment at the EO2 salary rate should only be considered if the person has the skills and experience required for the position and undertakes the full range of duties of an EO 2 position.

There is no entitlement to relief employment if a staff member is absent from the office on an approved training course or is otherwise considered on duty. However, where staff attend official training provided and facilitated by the Parliament's Administration relief staff may be employed.

Members are responsible for the selection of relief staff. Consideration can be given to using employment agencies for short-term or unplanned absences. The NSW Government has an approved list of organisations that can be used for this purpose. The contract is available on the Internet at <http://www.nswbuy.com.au/> (click on the temporary staff link).

Where the Member engages relief staff through an employment agency, the maximum amount that will be paid to the agency will be the equivalent of the appropriate daily rate of payment for relief staff for the days worked. Advice on the current hourly rate may be obtained from Organisational Development staff. The Member will be required to make up any shortfall direct to the employment agency.

11.4.2 Long-term relief (temporary employment)

Long-term relief or temporary employment arrangements should be used when there is either a permanent vacancy or a vacancy, possibly due to leave arrangements, in excess of three months. A temporary employee is entitled to accrue leave entitlements over the course of the employment.

Members' staff may be employed on a temporary basis initially to enable a sufficient period to assess work performance, conduct and attendance. The staff member may be provided with subsequent extensions if their performance, conduct and attendance are satisfactory. It should be noted that a temporary staff member who has been employed for more than two years on a temporary basis may be eligible for permanent employment.

11.4.3 Permanent employment and probation

Permanent employment can only be provided if a permanent vacancy exists. Permanent employees are usually appointed on probation for six months, during which time the Member can assess the employees' conduct, performance and attendance.

A Member is required to conduct a performance review with new staff at three months and again at six months. The Member will be provided with the necessary forms and information on the probation process. After the six-month review, the Member will decide whether to recommend permanent

appointment or a further extension of the probation period. Permanent appointment may be recommended if the staff member has demonstrated the appropriate skills, experience and work performance, and has a satisfactory attendance record.

If the Member deems the staff member's performance, conduct or attendance as unsatisfactory, probation may be extended for a further period or the employee may have their services terminated, if it is believed that improvement is unlikely.

Throughout the probation period, the Member must provide the employee with regular feedback and maintain diary or file notes regarding discussions.

11.4.4 Full-time or part-time employment

Any vacancy may be filled on a full-time (35 hours per week), part-time (less than 35 hours per week), or job share basis. A number of employees can share a position provided the total number of hours does not exceed 35 hours per week. In addition, the Member needs to assess the allocation of office space, equipment and resources when considering part-time arrangements as extra resources are not provided to accommodate persons in job share situations.

11.4.5 Employment relationship

For industrial purposes, the Speaker is the employer of Electorate Office staff and the President is the employer of Secretary/Research Assistants.

The relevant Presiding Officer must approve all appointments of staff. All matters relating to the terms and conditions of employment, salary or discipline of Members' staff must be submitted to the relevant Presiding Officer for information, advice and approval.

Any offer of employment made by a Member that has not been approved by the relevant Presiding Officer becomes a matter of private employment arrangement between the Member and the person and liability for the employment contract lies with the Member. Any associated cost of such an arrangement will not be met from the Member's LSA.

Members must exercise care when recruiting staff and ensure that the employee is informed that the Speaker or the President is the employer.

Termination of employment, other than by resignation or withdrawal of services by the employee, may only be made by the relevant Presiding Officer.

11.5 Recruitment options

Members' staff are required to work closely with their Member in what can be a highly stressful environment. In addition, there may be long periods of time where the staff member is required to work in isolation from their Member. The staff member's role may be highly focused on providing information and assistance to constituents or may be responsible for administering the Members' Parliamentary entitlements. Whatever the focus of the position, it is critical that the Member and the staff Member work well together to enable the Member to perform their Parliamentary duties. A poor working relationship can be disruptive, traumatic and emotionally taxing for both the Member and the employee.

It is therefore vital that a Member pays due consideration when recruiting staff to ensure that the best person is employed. Selection of staff should always be on the basis of merit, that is the person who best meets the skills, knowledge and experience requirements of the position is selected.

When recruiting a new employee, Members should assess that the candidate has the necessary skills and experience to undertake the role. A formal application and interview process can assist in this assessment and will contribute positively to the Member's decision-making process.

There are two options available to Members when recruiting staff:

1. Advertising the position and selecting the best candidate
2. Direct appointment

Members are encouraged to follow public sector practice and advertise the vacancy externally.

11.5.1 Advertising the position

Members are encouraged to advertise the position externally in the Public Service Notices and on the job vacancy websites seek.com.au, mycareer.com.au and careerone.com.au. Members are able to choose other media but should note that advertising costs must be met from their LSA.

Where a Member wishes to advertise a vacancy, Organisational Development staff can assist with:

- Drafting and placing an advertisement
- Receiving and acknowledging an application
- Devising an appropriate computer aptitude test
- Participating in the selection panel
- Notifying applicants of the outcome

Organisational Development staff will prepare the letters of appointment offering employment to the successful application. The letter will include information about conditions of employment, salary, hours of work and the period of employment. The position description and other relevant employment policies, including the code of conduct will be forwarded to the person.

11.5.2 Direct appointment

Members have the option to directly appoint staff without a competitive selection process. However, Members are encouraged to evaluate the applicant's suitability based on:

- Their skills and experience being appropriate to the responsibilities and duties of the role
- Their attitude, personality and other characteristics such as team skills and initiative
- Confirmation of the claims they have included in their application/resume.

Members should consider requiring the person to undertake a brief computer task to assess competence with technology.

11.5.3 Administrative Arrangements

Legislative Council

Members of the Legislative Council wishing to employ a Secretary Research Assistant need to complete the form 'Request for Employment – Secretary/Research Assistant'. Requests to employ for relief purposes will need to be supported by a leave form.

Members will need to submit the appropriate form along with the following information:

- The full name, address and date of birth of the appointee
- The proposed date of commencement

- A current resume including qualifications and employment history and experience
- Original or certified copy of academic qualifications used to determine salary

This documentation must be provided as soon as a decision is made to engage a staff Member. Timely receipt will allow for salary to be paid from the time the new employee commences.

Legislative Assembly

Members will need to complete one of the following forms that specifically relates to the nature of the employment (ongoing/permanent, or short-term or long-term relief) and the classification of the position:

Ongoing/Permanent Employment

- Selection of an Electorate Officer Grade 1 – SEL 1
- Selection of an Electorate Officer Grade 2 – SEL 2
- Selection of a Research Assistant – SEL 3

Relief Employment

- Short-term relief Electorate Officer Grade 1 – STEO1
- Short-term relief Electorate Office Grade 1 Special Salary Scale – STEO1SSS
- Short-term relief Electorate Officer Grade 2 – STEO2
- Short-term relief Research Assistant – STRA
- Long-term relief Electorate Officer Grade 1 – LTEO1
- Long-term relief Electorate Officer Grade 2 – LTEO2
- Long-term relief Research Assistant - LTRA

All forms are available on the [Parliament's intranet](#) site.

11.6 Additional Temporary Staff

The PRT Determination specifies that each Member of the Legislative Assembly, not elected as an independent, will be provided with a specific budget to enable the recruitment of temporary staff. Each Member will be provided with a budget each financial year that equates to 61 days salary per annum, at the salary rate payable to an Electorate Officer Grade 2 (3rd year rate). The budget is adjusted to accommodate any award salary increases throughout the year.

Staff employed using ATS funding can be located in a Member's electorate office or at Parliament House. Members must utilise their existing office accommodation at either location. The Legislative Assembly provides a computer. The LSA may be used to supplement any additional office furniture needs and the Legislative Assembly will modify an office fit-out to accommodate an ATS.

11.6.1 Administrative arrangements

Members are required to complete the form 'Additional Temporary Staff (ATS) Claim and Payment Form' each time they engage a staff Member using ATS funds. Members' Services will record expended

amounts and provide a monthly report to Members detailing remaining funds. Members are reminded when their remaining budget is less than \$5,000. Further information regarding Additional Temporary Staff is available in Chapter 9 and on the [intranet](#) in the document '[Policy and Procedures – Employment of Additional Temporary Staff](#)'.

11.6.2 Employment of family members

With effect from 1 July 2010 Members of both Houses cannot employ any Member of their family. This applies to all forms of employment including short and long term relief, permanent employment and Additional Temporary Staff (ATS).

For the purposes of this provision a family member or relative is defined as the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendent or adopted child of the Member or the Member's spouse or de facto partner or the spouse or de facto partner of the Member. (*Source: Constitution {Disclosure by Members} Regulations 1983*)

There is no restriction on Members employing the spouse/partner or relative of another Member.

11.7 Induction of staff

Organisational Development staff will provide each new permanent and temporary Legislative Council Secretary/Research Assistant employed for longer than three months with a one-on-one induction. Electorate Officers will be provided with an orientation at the Electorate Office and given supporting information regarding leave and entitlements.

In addition, a comprehensive Parliament wide induction will be held on a regular basis for new staff.

Organisational Development staff will organise computer access and a security pass for new staff Members. New staff who are able to attend Parliament House can also participate in an audio tour of Parliament House and a guided tour of the Library.

Staff are encouraged to attend training courses considered appropriate to their position that can assist them in the performance of their duties. Members are requested to facilitate the attendance of their staff at in-house programs and provide other opportunities for relevant training.

11.8 Conditions of Employment

11.8.1 Remuneration

Secretary Research Assistants (Legislative Council)

Salary

The salary range for a full time Secretary Research Assistant is equivalent to a NSW Public Sector Clerk Grade 4/5 which has the following salary levels, effective from 9 July 2010:

Year	Per Annum
1	\$61,878
2	\$63,781
3	\$68,761
4	\$70,929

The Secretary/Research Assistant may be appointed at any of the above levels based on employment history, qualifications, current salary and skill level. Legislative Council Members should refer to the document 'Secretary/Research Assistants Recruitment and Determination of Salary' for more information on selecting an appropriate salary level. This document is available on the [Parliament's intranet](#).

Allowance

In addition to salary Legislative Council Secretary Research Assistants receive an all incidents of employment allowance of \$ 7,214, effective from 9 July 2010. This allowance is in lieu of overtime, rostered days off and flexitime.

Incremental Progression

Legislative Council Secretary/Research Assistants may be entitled to incremental progression after 12 months on a particular salary level. For example, an employee appointed at the Year 1 salary rate will be eligible for incremental progression 12 months after commencing employment. Progression is subject to satisfactory conduct and performance. The Member will be sent an increment report, which will require the Member to comment on conduct and performance and make a recommendation regarding incremental progression.

Electorate Officers (Legislative Assembly)

Salary

The salary scale for Electorate Officers is included in the Crown Employees (Parliamentary Electorate Officers) Award 2007. Salary rates, effective from 9 July 2010 are:

Classification	Year	Total Remuneration Per Annum
Electorate Officer (EO) Grade 1*	1 (or 18 years old)	\$34,942
	2 (or 20 years old)	\$41,319
	3 (or 21 years old)	\$44,180
	4	\$45,262
	5	\$46,987
	6	\$47,758
	7	\$48,830
	8	\$50,469
	9	\$52,135
	10	\$53,894

EO Grade 1 Special Salary Scale* <i>Payable where an EO 1 performs under limited supervision research, speech writing, constituent interviews and prepares non-routine correspondence</i>	1	\$60,541
	2	\$62,054
	3	\$63,659
	4	\$65,415
EO Grade 2*	1	\$69,092
	2	\$70,995
	3	\$75,975
	4	\$78,143
Research Assistant		\$86,498

* These salary rates are inclusive of an all incidence of employment allowance as set out in the table below.

Appointment to a particular salary level within a Grade will depend on the person's educational qualifications and length of relevant experience. Members should refer to the Award for more information before offering a commencing salary rate.

All Incidence of Employment Allowance

Staff employed as Electorate Officers are entitled to the following allowance for the grade they are employed against as part of the total remuneration listed above:

Grade	Annual Allowance
Electorate Officer Grade 1	\$4,510
Electorate Officer Special Salary Scale Allowance	\$5,410
Electorate Officer Grade 2	\$7,214

The allowance is payable for all incidences of employment and is in lieu of overtime, rostered days off and flexitime.

Incremental Progression

Electorate Officers may be entitled to incremental progression within their Grade after 12 months on a particular salary level. For example, an Electorate Office Grade 1 appointed at the Year 7 salary rate will be eligible for incremental progression to the Year 8 salary rate, 12 months after commencing. Progression is subject to the satisfactory conduct and performance. The Member will be sent an increment report, which will require the Member to comment on conduct and performance and make a recommendation regarding incremental progression.

Up to date salary and allowance rates are available on the Parliament's [intranet](#).

11.8.2 Payment of Salary

Members' staff are paid by the Payroll Unit within the Organisational Development Section on a fortnightly basis every second Thursday. Payment is made by Electronic Funds Transfer into a nominated bank, building society or credit union account. Employees are required to complete the

necessary paperwork, including Tax File Number Declaration and choice of superannuation fund, when they commence to enable payment to be made.

If no complying superannuation fund is nominated the employer superannuation contribution of 9 per cent will be deposited in the employer default First State Superannuation Fund.

11.8.3 Higher Duties Allowance

An Electorate Officer Grade 1 who acts in a position of Electorate Officer Grade 2 for one working day or more and who assumes the whole responsibilities of the position may be paid a higher duties allowance equal to the difference between the relieving officer's present salary and the salary to which the officer would be entitled if appointed to the higher position.

Further information regarding the conditions of payment are detailed in the Electorate Officers' Award which is available on the [Parliament's intranet](#) site.

11.8.4 Hours of work

The normal hours of duty for full time staff are 35 hours per week at 7 hours a day. All Electorate Office staff and Secretary/Research Assistants are required to work between 9.00am to 5.00pm with one hour for lunch. Both electorate office staff and secretary/research assistants may be required to work reasonable overtime at the request of their Member and are compensated for this overtime by payment of the all incidence of employment allowance.

11.8.5 Staff Training

Staff training is available where there is an identified need. Eligibility for payment of training course fees and attendance is dependent upon funding available, the training course being provided by an accredited trainer, being of benefit to the Parliament and relevant to the work being performed. Staff are to submit details of the course, the Member's approval, the cost and required attendance to the Director, Organisational Development assessment as to whether the training costs will be met by the Parliament or through the Member's LSA.

Relief provisions do not apply for absences of staff attending training, except where the relevant Presiding Officer determines that the training is essential. The Parliament does not reimburse HECS, HELP or similar ATO fees that attract Fringe Benefits Tax. Such costs are also not claimable from the LSA.

Electorate Officers from country areas

To minimise costs associated with training, staff working outside the Sydney metropolitan area can elect to undertake training in the nearest available location to their normal place of employment i.e. through a locally-based training provider in the first instance such as a TAFE College.

Training in a location away from the town/city that is the normal place of employment will only be approved where similar training (at a reasonable time and rate) is not available at a location within close proximity to the normal place of employment.

Travel costs associated with attending staff training and development courses are not claimable where the training course is being held within reasonable travelling time from the officer's normal place of work.

Where a country based electorate staff member is granted approval to attend a training course in Sydney, the stay should not exceed 3 days and the standard public sector sustenance allowance

(current capital city rate per day) may be claimed.

The Legislative Assembly will issue an authority to cover the cost of a return economy class airfare or return rail fares, as appropriate, and will reimburse taxi and airport parking charges upon receipt of a sustenance and expense claim form together with a tax invoice/receipt. Where the individual taxi fare or airport parking charge is \$75 or more a tax invoice must be provided to obtain reimbursement.

Where a staff member chooses to drive, the public sector kilometre allowance travelling allowance applies up to the cost of a commercial airlift if available to and from the same destination. Staff claiming the kilometre allowance are required to complete a claim form and are reimbursed through the Parliament's fortnightly payroll with the payment reflected on payment summaries (group certificates) at the end of the financial year.

A copy of the Staff Training and Development Policy, application forms and further information may be obtained either from the [intranet](#) or by contacting Organisational Development staff on: (02) 9230 2001.

11.8.6 Leave Provisions

All leave applied for must be by way of a leave form, which is to be signed by the employee and the Member and submitted to Organisational Development. It is the Member's responsibility to ensure leave forms are submitted. Organisational Development should also be informed if an employee proceeds on a long period of absence that has not been supported by a leave form.

The different types of leave Members' staff may be entitled to are listed below. Part-time staff will receive a pro-rata entitlement based on hours worked. Leave entitlement accruals for recreation leave, sick leave and extended leave are shown at the bottom of the fortnightly pay advice notice.

Compulsory Christmas/New Year leave

Under a long standing industrial agreement, the Parliament closes for business for two weeks over the Christmas and New Year period. All employees are required to take leave (e.g. recreation, extended or leave without pay) during the closure. Legislative Assembly Members may elect to keep their electorate office open during this period. In this case, staff are required to work unless it is otherwise agreed with the Member and notified to the Director, Organisational Development.

Extended Leave

After ten years service, an employee is entitled to 44 working days of extended leave. Each completed year after that, another 11 days extended leave accrues. Extended leave may be taken after completion of seven years service at full, half or double pay.

Family and Community Service Leave

Employees may be granted family and community service (FACS) leave of 2.5 days in the staff Member's first year of service; 2.5 days in the staff Member's second year of service; and one day per year thereafter for reasons relating to unplanned and emergency family responsibilities or other emergencies. Situations may include but not be limited to the following:

- (a) compassionate grounds - such as the death or illness of a close Member of the family or a Member of the staff Member's household;
- (b) emergency accommodation matters up to one day - such as attendance at court as defendant in an eviction action, arranging accommodation, or when required to remove furniture and effects;
- (c) emergency or weather conditions - such as when flood, fire or snow etc. threaten property and/or prevent a staff Member from reporting for duty;

- (d) Attending to emergency or unplanned or unforeseen family responsibilities, such as attending a child's school for an emergency reason or emergency cancellations by childcare providers;

Leave Without Pay

Staff may be granted leave without pay if the individual provides sufficient reason and it is convenient to both the Member and the Parliament.

Parental Leave

Parental leave includes maternity, adoption leave and "other parent" leave. Full time female staff who will have completed 40 weeks of continuous service prior to the expected date of birth are eligible for 14 weeks on full pay or 28 weeks on half pay. Adoption leave may be granted to a staff Member who adopts a child and who is the primary carer for a period of 14 weeks and unpaid leave of up to 12 months is also available.

Where adoption or maternity leave does not apply, other parent leave may be granted for male and female staff who apply for leave to look after his/her child or children. Short other parent leave provides an unbroken period of up to 8 weeks leave at the time of the birth or from the date of adoption. Extended other parent leave provides for a period not exceeding 12 months from the date of birth or adoption. Only one week of other parent leave is granted with pay, the remainder being without pay.

Personal Carer's Leave

When FACS leave has been exhausted, sick leave may be accessed to care for a family member. The entitlement to use paid sick leave is subject to staff being responsible for the care and support of the family member. Sick leave may be taken from the sick leave accrued in the previous three years minus any sick leave taken.

Recreation Leave

Full time employees accrue four weeks (or 20 days) recreation leave per annum. Staff working permanently in central or western divisions of the State are entitled to an additional five days recreation leave per annum.

Sick Leave

Full-time employees are entitled to 15 days sick leave that accrues on a day-to-day basis. New employees will be granted 5 days of accrued sick leave when they commence employment. After four months the remaining 10 days will accrue over the course of the year.

Study Leave

Study leave is available to staff undertaking relevant studies on a part-time basis. For further information contact Organisational Development on (02) 9230 2001.

11.8.7 Taxi Transport

Legislative Council Members' staff, whose principal place of work is Parliament House, who are required to work beyond 8.00pm as a result of the sitting of the Legislative Council will be entitled to take a taxi to their registered home address within the Sydney Metropolitan District. Taxi vouchers can be obtained from the Legislative Council Table Office

11.9 Separation from service

Members' staff may have their services terminated by:

- the giving of two weeks written notice by either the relevant Presiding Officer (the employer), or by the employee in the form of a resignation
- the term of the Member the employee works for expires
- the Member the employee works for is appointed to the Ministry (for Members of the Legislative Council only)

An employee whose services have been terminated due to the expiration of their Member's term will be entitled to a separation payment if one of the following circumstances applies:

1. The employee is a permanent employee or has been employed on a continuous basis for 12 months or longer, and
 - a) The Member retires, resigns, dies or otherwise ceases to be a Member, or
 - b) The Member seeking re-election is not re-elected, or
 - c) The Member is appointed as a Minister (LC Members' staff only)

Temporary employees employed for less than 12 months continuous service will be given two weeks notice of termination of employment if the Member departs in any of the above mentioned circumstances.

11.9.1 Process

The eligible employee will be notified in writing by Organisational Development of their option of accepting a separation from service payment, effective from the Member's last day of duty. The employee can accept the separation of service payment and cease employment, or they can seek to be transferred to another Member, subject to a position being available and the agreement of the Member concerned and the relevant Presiding Officer.

An employee who continues to work at Parliament for another Member may still be eligible for a separation payment if:

1. The other Member notifies the relevant Presiding Officer that they do not wish to offer the employee a permanent position or ongoing employment. The notification must be made within three months of the Member's departure.
2. After two months, and before the expiration of three months, the employee identifies that they can no longer continue employment with the Member.

11.9.2 Exclusions

Employees will not be eligible for separation payments in the following circumstances:

1. the employee is on workers' compensation and the claim is based on compensation for termination
2. the employee has been terminated on the grounds of misconduct or unsatisfactory service
3. the employee resigns for reasons other than those relating to the Member's termination of office

4. the employee has obtained employment with another NSW Public Sector Agency.
5. the employee has a right of return to a position in the NSW Public Sector
6. the employee has less than 12 months temporary service

11.9.3 Payment

Payment for separation is based on the length of continuous employment the employee has. Full details are available on the intranet in the following documents:

- [*Legislative Council Separation from Service Policy 2003*](#)
- [*Electorate Office Personnel Entitlements on Termination of Employment*](#)

11.10 Managing staff

The Member is responsible for the supervision of their staff. This responsibility includes

- Ensuring staff attend work
- Ensuring staff submit leave forms when taking leave
- Ensuring individual staff are aware of their responsibilities, particularly if there are any supervisory requirements for EO 2 staff
- Providing staff with the necessary resources, including training to do their job
- Providing staff with regular feedback regarding their performance
- Ensuring the working environment complies with occupational health and safety requirements and any issues of bullying or harassment are dealt with appropriately.

11.10.1 Managing poor performance and unsatisfactory attendance

If at any time the work performance, attendance or conduct and services of a staff Member are unsatisfactory, the Member must document the issue and discuss expectations and strategies with the staff Member. The emphasis of such a discussion should be on providing opportunities to demonstrate improvements in behaviour. Regular performance reviews should be scheduled with the staff Member until the performance has improved.

The resolution of ongoing performance management problems is very difficult unless they are supported by documentary evidence such as:

- Examples of the staff Member's work that highlight performance problems
- Leave attendance records and/or diary entries that reflect start and finish times, if it is an attendance issue
- Written reports or emails noting poor performance and any responses from the employee
- Examples of support provided by the Member to assist the staff Member (e.g. training, additional resources)
- Complaints from clients relating to the employee's attitude and/or level of service

Members should consult with the Human Services Unit to discuss strategies for managing poor

performance or unsatisfactory attendance. Early intervention through the implementation of strategies to address performance leads to the most successful result.

If a relationship between a Member and an employee breaks down, the Parliament will encourage mediation to resolve the issue.

11.10.2 Disciplinary matters

It may become necessary to take disciplinary action for continuing unsatisfactory behaviour or for more serious matters such as misconduct, wilfully disobeying a lawful request by the Member or negligence, incompetence, or inefficiency in the discharge of duties.

Disciplinary action may involve increased supervision, counselling, issuing a warning and termination.

Members should document all behaviour that contributes to the need to implement disciplinary action and discuss it with the Human Services Unit prior to taking any action with the staff Member. This will allow proper process to be followed and procedural fairness to be observed.

11.11 Code of conduct for Members' staff

The Code of Conduct for Members' staff applies to all Members' staff that are employed by the Parliament. It is designed to help staff meet the high standards of integrity and ethical behaviour expected of a publicly funded employee, while recognising the unique needs of Members of Parliament.

The Code was developed considering the recommendations of the Independent Commission Against Corruption, the Ombudsman's Office, the model public sector code published by Premier's Department and staff consultations. The Code was also developed in consultation with the Public Service Association of NSW (PSA) and will be reviewed periodically.

This Code is designed to convey the behaviour expected of Members' staff. It addresses the responsibility of Members' staff in undertaking their role in supporting the electorate, the constituents and the parliamentary role of their Member. Members must nevertheless take responsibility for all actions he or she directs staff to take. Members' staff are responsible for their own acts and omissions when not directed by their Member. It is the responsibility of all staff to ensure their activities are not unlawful, against the public interest, against the interest of their Member, or contrary to established policy or procedure.

The Code outlines appropriate behaviour in relation to the acceptance of gifts and benefits, conflicts of interest and secondary employment. The Code also stipulates that Members' staff are not permitted to engage in activities of direct electioneering, or political campaigning, or political fundraising during their ordinary hours of work or as part of their role as an employee of the Parliament.

This Code applies equally to permanent, temporary and relief staff of Members of the Legislative Council and the Legislative Assembly. Volunteers and people engaged in work experience programs with Members are also required to agree to comply with the Code before they can commence work with the Parliament.

New staff must sign the employee declaration at the end of the Code which confirms that they have received, read and agree to abide by the Code.

11.12 Anti-bullying policy

The New South Wales Parliament is committed to maintaining a harmonious and productive work environment, which is free from bullying. All employees of NSW Parliament have the right to be treated fairly and with dignity and respect at work.

Bullying in the workplace is not tolerated and Members need to ensure that staff behave ethically and professionally at all times. All employees must clearly understand their requirements and responsibilities to treat each other with dignity and respect.

There is no legal definition for bullying behaviour but the following behaviours could be perceived as bullying:

- Generally repeated, less favourable treatment of a person by another or others in the workplace which may be considered inappropriate or unreasonable workplace practice or behaviour and creates a risk to safety and health.
- inappropriate or unreasonable behaviour that harms, intimidates, offends, degrades or humiliates an employee or employees, possibly in front of a co-employee, clients or customer.

Specifically, the following actions could be considered bullying:

- shouting and swearing repeatedly at colleagues in public or in private
- rages, particularly over trivial matters
- belittling opinions or constant criticism
- humiliating or insulting colleagues in public
- ignoring colleagues
- rudeness, or insults and name-calling
- withholding work
- constantly changing targets or work guidelines without satisfactory explanation
- undermining work performance by deliberately withholding information and/or resources, or supplying incorrect information.

Bullying may in some cases also amount to unlawful conduct, and may carry serious legal consequences. Bullying behaviour that involves stalking, assault, threatened assault or property damage amounts to criminal conduct. If this occurs, seek advice from NSW Police.

It is important to differentiate between a person's legitimate authority and role at work, and abuse or bullying. People in workplaces are bound to have occasional differences of opinion, conflicts and problems in working relationships; these are part of working life.

All employers have a legal right to direct and control how work is done, and Members have a responsibility to monitor workflow and give feedback on performance.

To prevent claims of bullying behaviour, Members should ensure that any comments, feedback or counselling in relation to work performance is objective, constructive, appropriate and reasonable.

All Members must do their best to prevent bullying happening within their workplace by making sure all employees understand this policy and through making it clear that bullying will not be tolerated.

The Parliament's Anti-Bullying Policy 2007 provides further information and is available on the [intranet](#).

11.13 Anti-discrimination Act 1977

The *Anti-Discrimination Act 1977 (NSW)* (ADA) makes it unlawful to discriminate against a person on various specified grounds, such as race, sex, or marital status, in the course of various specified activities.

The Act specifically contains provisions relating to Members of Parliament and sexual harassment.

As with the other grounds of discrimination under the ADA liability for sexual harassment arises only if the conduct occurs in certain contexts, such as in the course of employment, or the provision of accommodation, or the provision of goods and services.

The relevant provisions of the ADA are subsections (7) and (10) of section 22B. Subsection (7) provides that it is unlawful for a Member of either House of Parliament to sexually harass a 'workplace participant' (for example, a staff Member) or another Member of Parliament, or for a workplace participant to sexually harass a Member. Subsection (10) specifies that 'workplace' includes the whole of Parliament House, any ministerial office or electoral office of the Member, or any other place that the Member otherwise attends in connection with his or her Ministerial, parliamentary or electoral duties.

In addition to this direct form of liability of Members, if sexual harassment were to be perpetrated by an individual on a Member's staff, it is possible that the Member concerned may be liable under section 52 of the Act. Section 52 provides that it is unlawful for a person to 'cause ... or permit another person to do an act that is unlawful by reason of a provision of this Act'.

No special rules apply to proceedings involving Members under the ADA to ensure the protection of parliamentary privilege or of confidential or sensitive documents. If the Board or tribunal were to seek to access or rely on material or documents in the Member's possession in proceedings against the Member, and those documents or material formed part of proceedings in Parliament or were necessarily incidental thereto, it would be appropriate for the Member to claim privilege in respect of that material. Such a claim would appear to be supported by Article 9 of the Bill of Rights 1688, which applies in NSW by virtue of section 6 and Schedule 2 of the Imperial Acts Application Act 1969.

For further information about the ADA and how it applies to Members, guidelines issued by the Anti-Discrimination Board on harassment and discrimination can be found on the [intranet](#). The Parliament's [Equal Employment Opportunity Policy](#) is also available on the intranet.

11.14 Non-staff persons working in Legislative Council Members' Parliament House Offices

The term 'non-staff person' collectively applies to non-parliamentary staff and volunteers. Non-parliamentary staff are individual/s that provide administrative assistance that are not on the parliamentary payroll. These individuals may be either paid by the Member directly and/or paid by the Member's party. A Volunteer is an unpaid person who provides administrative assistance to Members.

It is acknowledged that Members will use the services of volunteers and non-parliamentary staff. However the use of these individuals must not impact negatively on the facilities and services of the Parliament. Access to Parliamentary resources will be restricted to prevent this.

No additional office accommodation or equipment is provided for the use of non-staff persons. Non-staff persons are to be accommodated within a Member's allocated office accommodation. Additional furniture or equipment will not be provided by the Parliament. Occupational health and safety must

be considered and employees must not be placed at risk due to the presence of a non-staff person.

All measures will be taken to maintain the security of Parliament House and its precincts, computer networks, Members, employees and visitors. All non-staff persons working in Member's offices must be in possession of a security pass. This pass must be worn whenever the individual is in attendance at Parliament House. An application for security pass form must be received by Parliamentary Building and Security Services to enable a security pass to be issued.

Only Members and staff employed by the Parliament who have a user login may access the Parliament's computer network. Members and employees are not permitted to give their password to other persons.

Further information can be found in the policy 'Non-Staff Persons Working in Parliament, March 2009' which is available on the [intranet](#).

11.15 University interns (Legislative Council Members)

For many years the Parliament has supported the participation of Members of the Legislative Council in formal internship programs undertaken by universities, as part of public policy or social science programs, some of which are co-ordinated through the Education section.

The internship provides for the student to undertake research and undertake projects and related work for Members for a set number of days per week over one university semester.

Generally speaking, interns need to be accommodated within a Members' office. Members considering taking on an intern should therefore consult with their staff members and ensure that appropriate arrangements are made to address any OH&S issues that may arise. An internship should not be offered if such an arrangement would put the health and safety of staff members and/or the intern at risk.

In order for an intern to be granted a security pass or computer log in, the Member will need to provide written confirmation of their agreement to the internship, together with correspondence from the co-ordinator of the internship program at the university confirming the student's enrolment and the nature of the internship. An internship nomination form is available on the [intranet](#).

Interns work on a voluntary basis and are not paid a salary by the Parliament. Personal accident insurance cover equivalent to that available under a Workers Compensation policy is provided by the Parliament in those instances where cover is not provided by the university.

11.16 Occupational Health & Safety

Under Section 8(1) and 8(2) of the Occupational Health and Safety Act 2000 (OHS Act 2000) employers are obligated to ensure the health, safety and welfare at work of all employees, contractors and visitors.

To meet these responsibilities under the OHS Act 2000, the following must be provided:

- safe premises
- safe systems of work
- information, instruction, training and supervision

- a suitable working environment and facilities
- safe machinery and substances

Although the Act places the ultimate responsibility for the health, safety and welfare of all workers on the employer, section 26 of the Act extends the occupational health and safety (OHS) responsibility of the employer to Managers and Directors.

A complete list of OHS responsibilities has been detailed in Parliament's [OHS Policy](#).

In line with the OHS Act 2000 and Parliament's OHS Policy, Members are directly responsible for the occupational health and safety of their staff, contractors, visitors and the working environment under their control. Hazards must be removed wherever possible or minimised appropriately.

Members' staff must also comply with their obligations under the OHS Act and take reasonable care to ensure the health and safety of themselves and others.

When an identified hazard within the Electorate Office cannot be rectified by the Member or at a minimal cost, Electorate Office Services can be contacted on 9230 2848 to discuss the issue.

For Members' offices within Parliament House, Parliamentary Facilities can be contacted on 9230 2178 for assistance or a [Building Service Request](#) entered online.

If a hazard has not been satisfactorily minimised or eliminated, a member of the [OHS Committee](#) can be consulted.

Parliament is committed to regular OHS consultation with staff and their representatives and the Occupational Health and Safety Committee provides a forum for discussion of OHS issues. The Committee meets on a regular basis to report on and resolve occupational health and safety concerns. Click to view Parliament's [OHS Consultation Statement](#).

The [OH&S and Injury Management Officer](#) can be contacted at any time to discuss OHS matters.

11.17 Injury Management and Workers' Compensation

Injuries and incidents that impact on the health and safety of Members and their staff, regardless of the severity, must be reported. It is also important to report any incidents involving visitors or contractors. An online reporting system can be accessed on the Parliament's intranet site. Visit [DPS > OH&S > Report an Incident](#).

Members who have sustained an injury in the course of their duties are covered by a specific Insurance scheme (see section 4.5 Personal Accident Insurance for more information). All other staff are eligible to apply for Workers Compensation benefits in the event of a work related injury or an injury sustained in the journey to or from work.

When an incident or injury has been submitted via the online system, the OH&S and Injury Management Officer will contact the staff member, visitor, or contractor to discuss the [injury management process](#).

11.18 Employee Assistance Program

Parliament recognises that at times staff may face problems at home or at work which can make life difficult, and which may affect their health, well-being and job performance.

[Davidson Trahaire Corpsych](#) (DTC) has been contracted to provide a free, professional, confidential counselling and consulting service for all Members, staff, their immediate family members and people in close relationships with them. A 24-hour telephone counselling service is available by calling 1300 360 364.

In the event of sudden death, major accident or incidence of violence, trauma counselling is also provided by the Employee Assistance Program. Where trauma is involved, please contact the OH&S and Injury Management Officer as a matter of urgency, as assistance can be provided within 2 hours

[Manager Assist](#) is a confidential telephone service for managers dealing with difficult or complex people issues. By calling 1 300 360 364 an appointment can be made to speak with a senior psychologist during business hours. Face to face appointments are also available if required. This is a confidential service so no identifying information regarding a manager's use of the service will be provided to Parliament.

For further information regarding the Employee Assistance Program, please contact the OH&S and Injury Management Officer.

Contact Directory

Below are contact details for key personnel within the Members' Services Unit. You can also find more information about the MSU on the NSW Parliament Intranet:

<http://bulletin/prod/web/common.nsf/key/ServicesAccounts>

Stuart Lowe, Manager Members' Services Unit

P: 02 9230 3373

F: 02 9230 2181

E: stuart.lowe@parliament.nsw.gov.au

Lucy Gonano, Team Leader Members' Entitlements

P: 02 9230 2227

F: 02 9230 2181

E: lucy.gonano@parliament.nsw.gov.au

Gwenda Gleeson, Team Leader Members' Advice

P: 02 9230 2939

F: 02 9230 2181

E: gwenda.gleeson@parliament.nsw.gov.au

Appendix



Parliament of New South Wales

PUBLICATIONS GUIDELINES

February 2011

Members' Services Unit
Department of Parliamentary Services



Publications guidelines¹

The following guidelines will apply to the content and distribution of publications funded through the Logistic Support Allocation (LSA) or the Electorate Mail-out Account (EMA).

For the purposes of the LSA a publication includes any written, drawn or pictorial material such as letters, new constituent letters, reply paid or return addressed envelopes, letterhead; cards (Christmas, business); notices; handbills; posters, brochures or newsletters intended for multiple distribution by mail, letterbox drop, newspaper supplement/insert or handout.

For the purposes of the EMA a publication includes any written, drawn or pictorial letters, flyers, brochures or newsletters intended for multiple distribution of not less than 200 copies of the same publication at the same time by mail, letter box drop, newspaper supplement/insert or handout.

In the case of the EMA, publications cannot be used for:

- New constituent letters.
- A survey form seeking feedback from constituents or a petition, unless accompanied by a publication.
- Reply paid or return addressed envelopes enclosed with publications.
- Invitations to attend meetings or morning/afternoon teas unless incorporated as a secondary component of the information provided.

These costs may be met from the Member's LSA.

A publication issued by a Member does not have the protections afforded by parliamentary privilege and all Members must be mindful of the legal consequences that they may confront if they make adverse or misleading comments about other Members or about persons outside Parliament.

A publication **must**:

- Advise constituents of issues affecting the electorate.
- Clearly identify the name of the Member as the author, editor or publisher.
- Include, along with accompanying publications, the month and year of printing on either the first or last page in a prominent position.
- Contain the terms "authorised by", "printed by" (or carry the name or details of the printer or publishing company), and indicate that the publication was produced/printed "using parliamentary entitlements".

A publication **must not**:

- Survey for voting intention, preferred leader or preferred political party.
- Direct readers to the website of the registered political party of the Member.
- Be issued on behalf of any other Member of Parliament, person or group, such as a charity, lobby or special interest group.
- Contain political party slogans/logos promoting electioneering or political campaigning. Standard party/individual logos may be used in the header, text or footer of the publication together with reference to party affiliation or independent status.

¹ Combining the Legislative Assembly Members' Handbook, 2008 edition, section 8C.4 (pages 130-132) and the Legislative Council Members' Guide, April 2007, paragraphs 5.172 - 5.183 (pages 63-65)

- Contain or be distributed with any materials which are of an electioneering or political campaigning nature.
- Be used as a “doorknocking” brochure which promotes electioneering or political campaigning or is distributed with such material.
- Refer to any future local, state federal by-election within Australia except to simply indicate the date of any such election.
- Refer to or include any individual who is a candidate for any future election, either local, state or federal, except if the recognition of that person is directly related to the person’s official duties.
- Request donations for the Member, their party or other persons or organisations (apart from not for profit community organisations or charities).
- Contain statements of an electioneering or political campaigning nature, such as ‘If elected the Government/Labor/Coalition/Liberal/National/Greens Party will or promises to...’. This restriction also applies to other political parties and individual members’ statements. References to party policies such as “Government/Opposition/Liberal/Nationals/Labor policy is to ...” is permitted.
- Contain blank spaces in the body of the publication for the stamping or inclusion of messages etc after printing.
- Contain statements of endorsement of the Member or the Member’s activities or statements endorsing or promoting any other person or organisation, apart from incidental references to not for profit community events, organisations or charities.
- Be enclosed in the same envelope or wrapping with other material not funded by the Parliament, except brochures or other material from a registered charitable organisation or not for profit community organisation which has a presence in the member’s electorate, provided the member provides details of the organisation’s charitable status, certifies the business is not run for profit, there is no additional cost to the Parliament, and the material otherwise complies with these guidelines.
- Be distributed beyond the last day for the issue of the writs for a general election for the Legislative Assembly or beyond the day for the issue of the writ for a by-election within an electorate for which a by-election is being held.

A publication **may**:

- Include photographs and references to the Member’s family.
- Make reference to a petition and/or survey, which is included with or attached to the publication.
- Make reference to a meeting or forum, provided in the case of an Electorate Mail-Out that this is not the primary purpose of issuing the publication.
- Only direct readers to websites which the Member reasonably believes, at the time of publication, does not contain material of a direct electioneering or political campaigning nature.

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- Refer to or include any individual who is a candidate for any future election, either local, state or federal, except if the recognition of that person is directly related to the person’s official duties.
- Request donations for the Member, their party or other persons or organisations (apart from not for profit community organisations or charities).
- Contain statements of an electioneering or political campaigning nature, such as ‘If elected the Government/Labor/Coalition/Liberal/National/Greens Party will or promises to...’. This restriction also applies to other political parties and individual members’ statements. References to party policies such as “Government/Opposition/Liberal/Nationals/Labor policy is to ...” is permitted.
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MEMBERS' ENTITLEMENTS HANDBOOK

2nd edition - February 2015

Department of Parliamentary Services
Members' Entitlements Unit

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Department of Parliamentary Services
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Loyalty / Incentive Schemes Annual Declaration
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Current Determination of the PRT - 11 June 2014

Chapter 1: Legislative Framework and Resources

This chapter discusses the legislative framework that applies to the entitlements provided to Members. An overview of the Parliamentary Remuneration Act 1989 is provided along with information regarding the Parliamentary Remuneration Tribunal and its Determinations dealing with Members' Entitlements. Resources to assist Members are summarised.

1.1 PARLIAMENTARY REMUNERATION ACT 1989 (THE ACT)

The [Parliamentary Remuneration Act 1989](#) provides the legislative framework for the determination of Members' entitlements.

In 1998, amendments to the legislation resulted in significant changes to the determination, management and administration of Members' entitlements, including delegating responsibility for the administration of entitlements to the Presiding Officers of the Parliament of NSW.

Parliamentary remuneration, in the form of basic salary, additional salary and expense allowance for Members and Recognised Office Holders, is a matter of statutory entitlement under Part 2 of the Act.

Part 3 of the Act deals with the requirements for the Tribunal to make an annual determination (the Determination) as to Members' additional entitlements (additional entitlements), other than salary.

Part 3A deals with Members' superannuation entitlements.

Part 3B of the Act deals with the establishment of the [Parliamentary Remuneration Tribunal](#).

1.2 PARLIAMENTARY REMUNERATION TRIBUNAL ('the Tribunal')

The Act requires that the Tribunal consist of a judicial member of the Industrial Relations Commission (IRC) appointed by the President of the IRC on a part time basis. The Tribunal may hold office for a period not exceeding 3 years and is eligible for re-appointment. The Minister may also appoint a person or persons to assist the Tribunal in any inquiry.

The Tribunal also approves proposed amendments to the [Parliamentary Contributory Superannuation Act 1971](#).

In addition to salary determination, the Tribunal is required to make determinations of additional entitlements that are available to Members of Parliament and Recognised Office Holders paid either as allowances or as fixed allocations. (Recognised Office Holders are listed in Schedule 1 of the Act).

Annual determinations are required no later than 31 May each year to take effect from 1 July in that year. The Tribunal's report and determination are tabled in the Parliament and published in the NSW Government Gazette. Ministerial responsibility for the Tribunal is with the Premier.

In making determinations the Tribunal may invite submissions from recognised office holders, Members, officers of the Legislature, representatives from statutory bodies and government departments, and any other persons. The Tribunal may also hold hearings with relevant parties.

The Tribunal is required to invite the Secretary of the Treasury to make submissions to the Tribunal on the financial implications of a determination. Under section 12 of the Act the Tribunal may also be directed by the Premier to make special determinations of additional entitlements, separate from the annual determination process.

In addition to providing the general principles in relation to the purpose and operation of entitlements, the Tribunal delegates authority to the Presiding Officers to administer entitlements.

1.2.1 Guiding Principles of the Tribunal

The Tribunal operates under the following guiding principles, set down in May 1999, when making its determinations:

Civility	The Tribunal takes the position that Members will act honourably and do his or her best to abide by the rules.
Clarity	The Tribunal will endeavour to make determinations that express clear basic concepts with clear practical principles and clear practical rules and conditions.
Accountability	Claims made by Members should be able to stand up to public scrutiny and should be supported by appropriate formal vouching.
Flexibility	The Tribunal recognises that some flexibility is needed in its general approach and that one rigid approach is not conducive to the needs of individuals.
Responsibility	The Tribunal recognises that entitlements established under its Determination involve the expenditure of public monies and states that all expenditure must be incurred responsibly and claimed accountably.

1.3 SALARIES

The Tribunal has a statutory obligation under Part 2 of the Act to set parliamentary salaries. Salaries and associated matters are discussed in Chapter 2.

1.4 ADDITIONAL ENTITLEMENTS

Section 9 of the Act states that 'the Tribunal may make determinations of additional entitlements that are to be available to a member or recognised office holder'.

Section 10 (2) of the Act provides that:

2.
- Members and recognised office holders are entitled to an electoral allowance and other additional entitlements in accordance with the provisions of applicable determinations of the Tribunal under this Part.

The provision of Members’ additional entitlements is based on certain principles. Section 10 (1) of the Act declares that:

In making determinations, the Tribunal is to give effect to the following principles:

- a) additional entitlements are to be provided for the purpose of facilitating the efficient performance of the parliamentary duties of Members or recognised office holders
- b) parliamentary duties of Members and recognised office holders include participation in the activities of recognised political parties.

The Tribunal has determined that these additional entitlements should not be used to fund:

- Activities such as those associated with party membership drives
- Mail distributions for non-electorate or non-parliamentary activities
- Costs associated with election campaigning for an individual Member
- Party fundraising for a Member's own political use and/or other party political members such as the purchase of raffle tickets, raffle prizes or tickets to attend functions etc and
- Costs previously borne by political parties that are not principally related to a Member's parliamentary or electorate duties.

Furthermore, the scheme places the onus on Members to exercise appropriate financial discipline, manage their budgets and be accountable for use of their entitlements.

The Tribunal accepts that some intermingling of a Member's parliamentary duties and private activities is unavoidable. In making any claim for reimbursement, however, Members must demonstrate that the expenditure claimed relates only to the parliamentary duties component of the expenditure.

The Tribunal has developed a range of additional entitlements, divided into two categories, on which it makes determinations. Below is a list of the additional entitlement categories and the chapter in which they are dealt with in this Handbook.

Additional Entitlements in the nature of allowances

- Electoral Allowance (*Chapter 4*)
- Committee Allowances (*Chapter 4*)
- Sydney Allowance (*Chapter 5*)

Additional Entitlements in the Nature of Fixed Allocations

- Logistic Support Allocation (*Chapter 4*)
- Travelling Allowance for Recognised Office Holders (*Chapter 4*)
- Electorate to Sydney travel (*Chapter 5*)
- Electorate Charter Transport Allowance (*Chapter 6*)
- Electorate Communication Allowance (formerly known as the Electorate Mail-out Account) (*Chapter 6*)
- Equipment Services and Facilities (*Chapter 7*)

1.5 DEFINITIONS

The Tribunal in its annual determination provides a number of key definitions:

1.5.1 Parliamentary Duties

Pursuant to section 10(1) (a) of the Act, every class of additional entitlements described in this Determination is provided “for the purpose of facilitating the efficient performance of the parliamentary duties of Members and recognised office holders.” [2014 Determination]

The Act (Part 1, s.3) says:

Parliamentary duties of a member or recognised office holder means the duties that attach to the office of a member or recognised office holders, and includes the duties that a member or recognised office holder is ordinarily expected to undertake, including participation in the activities of recognised political parties, and includes any duties prescribed as being within this definition, but does not include any duties as being outside this definition.¹

The Tribunal has further given guidance on 'parliamentary duties' in the form of guidelines.

These guidelines, which are set out fully in Chapter Three, address:

- The scope of parliamentary duties, including listing a range of activities that fall within this definition (*Guideline 1*)
- The extent to which the activities of recognised political parties are covered by the definition, including listing a number of activities for which additional entitlements should not be used. (*Guideline 2*)
- Guidelines for dealing with circumstances involving the intermingling of a Members' parliamentary duties and private activities. (*Guideline 3.1*)

1.5.2 Members

"Member means a member of either House of Parliament." (Section 3 (1) of the Act)

1.5.3 Approved Relative

The 2014 Determination defines an 'approved relative' as a person who meets one of the following criteria:

- Wife or husband of the member.
- A person living in a domestic relationship as defined in the [Property \(Relationships\) Act 1984](#)
- Single or widowed members may nominate a member of their immediate family (parents, siblings, children who are not minors i.e. below 16 years of age) as an approved relative.

Under special circumstances a Member may apply through the Presiding Officers to the Tribunal for an exception to the criteria. This will need to be based on the ability of the Member to meet their parliamentary duties and individual circumstances that apply at the time.

¹ *Parliamentary Remuneration Act 1989 No. 160, Section 3(1)*

1.6 RESOURCES TO ASSIST MEMBERS

Final decisions on the use of entitlements always rest with the Member.

However, in addition to this Handbook, a range of advice is available to assist the Member in making the self-assessment on the use of entitlements.

1.6.1 The Members' Entitlements Section

Financial Services Branch comprises two business units:

- Accounting Services, and
- Members' Entitlements

Accounting Services is responsible for the provision of financial, accounting and budgeting services to the whole Parliament.

Members' Entitlements is responsible for the administration and processing of Members' entitlements including:

- the provision of guidance and advice in the interpretation of the Parliamentary Remuneration Tribunal determinations and rulings, and other policies and legislation, to support Members in the accurate and appropriate utilisation of entitlements
- receiving, assessing and passing claims to Accounting Services for payment
- keeping Members and staff updated on the use of entitlements via the Intranet, memos and circulars
- providing monthly financial reports that contain information on budgets, monthly expenditure and year to date expenditure

Request for advice on more complicated matters should be made in writing (preferably by email) and a written response will be provided.

More specifically, Members' Entitlements provides the following resources to assist Members:

Induction and Information Sessions

Information sessions for Members and their staff are held regularly to inform Members of their entitlements and accountabilities.

Expenditure Tracking Spreadsheets

Members are provided with individual spreadsheets that enable them to manage their information about expenditure of entitlements. Separate spreadsheets are provided annually for the Logistic Support Allocation, the Electorate Communication Allowance and Additional Temporary Staff.

Members, and their staff, are responsible for providing the data to keep the spreadsheets up to date and should inform Members whether or not they have sufficient funds to lodge further claims. If required, Members and their staff may request training on the correct use of the spreadsheets. Please contact Members' Entitlements on (02) 9230 3041 for assistance.

Monthly Report

A monthly report of entitlement expenditure is issued by Members' Entitlements to Members, usually within 6 working days of the month end. The reports are distributed electronically and show the allocated yearly budget, expenditure for the current month, year to date expenditure and remaining funds available. Members should use the monthly reports to reconcile information on their spreadsheets. Any discrepancies should be raised with Members' Entitlements.

Pre-filled Claim Forms

Claim forms for individual entitlements must be completed by Members for each claim against expenditure. The forms include certain standard information to minimise errors and reduce processing time. Members must personally sign each claim form.

1.6.2 Further Guidance

Whenever there is uncertainty and ambiguity, Members should not rely on their own, or other Members' interpretations. Doing so may expose the Member to considerable risk of breaching Clause 4 of the Code of Conduct. For further details, see section 1.8 Members' Code of Conduct.

In determining how to act, the following people can be consulted:

- The Speaker or President
- Clerk of the Parliaments (or other authorised officers)
- Clerk of the Legislative Assembly (or other authorised officers)
- Executive Manager, Department of Parliamentary Services
- Manager, Members' Entitlements
- Parliamentary Ethics Adviser (see contact details following)

If considered necessary the Presiding Officers may seek a ruling from the Parliamentary Remuneration Tribunal on an interpretation of the conditions and guidelines pertaining to the use of a particular entitlement referred to in the determination (section 17A *Parliamentary Remuneration Act 1989*).

1.6.3 Parliamentary Ethics Adviser

In 1998 the Legislative Council and the Legislative Assembly resolved to appoint a Parliamentary Ethics Adviser to assist members with ethical issues and concerns.

The role of the [Parliamentary Ethics Adviser](#) is to:

- Respond to requests from Members to provide advice on use of entitlements, such as staff, travel, official letterhead or stamp allowances, and on interpretation of rules for use of entitlements,
- Provide an independent point of contact for advice on complex matters in relation to exercising the role of a Member of Parliament, such as whether there is potential conflict of interest in particular circumstances,
- Providing advice to Ministers and former Ministers in relation to post-separation employment,
- In providing advice, the Parliamentary Ethics Adviser is guided by the Code of Conduct for Members, any determinations of the Parliamentary Remuneration Tribunal, and any other guidelines or policies adopted by the House.

1.7 THE AUDIT OFFICE OF NEW SOUTH WALES

The NSW Auditor-General is responsible for audits and related services under the *Public Finance and Audit Act 1983*, the *Corporations Act 2001* and other New South Wales Acts. The Auditor-General also provides certain assurance services in respect of Commonwealth grants and payments to the State under Commonwealth legislation.

The Auditor-General forms part of the accountability mechanism whereby the Parliament holds the Government accountable for fulfilling its responsibilities. The Audit Office assists the Auditor-General in satisfying this role. For further details, please see section 3.2.6 of this Handbook.

Contact Details

Street Address: Level 15, 1 Margaret Street, Sydney NSW 2000, Australia
Postal Address: GPO Box 12, Sydney NSW 2001, Australia
Telephone: (02) 9275 7100 Facsimile: (02) 9275 7200
Website: www.audit.nsw.gov.au

1.8 MEMBERS' CODE OF CONDUCT

A Members' Code of Conduct has been in place since May 1998 to aid members in discharging their duties ethically and transparently. It acknowledges that Members of Parliament have a responsibility to maintain the public trust by '*performing their duties with honesty and integrity, respecting the law and the institution of Parliament, and using their influence to advance the common good of New South Wales*'.

The Code of Conduct is available on the Parliament's [intranet site](#) and Members and their staff should familiarise themselves with it. This document is updated as amendments occur.

The Code contains seven standards of accepted behaviour. These are as follows:

1. Disclosure of conflict of interest

- (a) Members of Parliament must take all reasonable steps to declare any conflict of interest between their private financial interests and decisions in which they participate in the execution of their office.
- (b) This may be done through declaring their interests on the Register of Disclosures of the relevant House or through declaring their interest when speaking on the matter in the House or a Committee, or in any other public and appropriate manner.
- (c) A conflict of interest does not exist where the Member is only affected as a member of the public or a member of a broad class.

2. Bribery

- (a) A Member must not knowingly or improperly promote any matter, vote on any bill or resolution or ask any question in the Parliament or its Committees in return for any remuneration, fee, payment, reward or benefit in kind, of a private nature, which the member has received, is receiving or expects to receive.
- (b) A Member must not knowingly or improperly promote any matter, vote on any bill or resolution or ask any question in the Parliament or its Committees in return for any

remuneration, fee, payment, reward or benefit in kind, of a private nature, which any of the following persons has received, is receiving or expects to receive:

- (i) A member of the Member's family;
 - (ii) A business associate of the Member; or
 - (iii) Any other person or entity from whom the Member expects to receive a financial benefit.
- (c) A breach of the prohibition on bribery constitutes a substantial breach of this Code of Conduct.

3. Gifts

- (a) Members must declare all gifts and benefits received in connection with their official duties, in accordance with the requirements for the disclosure of pecuniary interests.
- (b) Members must not accept gifts that may pose a conflict of interest or which might give the appearance of an attempt to improperly influence the Member in the exercise of his or her duties.
- (c) Members may accept political contributions in accordance with Part 6 of the *Election Funding, Expenditure and Disclosures Act 1981*.

4. Use of public resources

Members must apply the public resources to which they are granted access according to any guidelines or rules about the use of those resources.

5. Use of confidential information

Members must not knowingly and improperly use official information, which is not in the public domain, or information obtained in confidence in the course of their parliamentary duties, for the private benefit of themselves or others.

6. Duties as a Member

It is recognised that some Members are non-aligned and others belong to political parties. Organised parties are a fundamental part of the democratic process and participation in their activities is within the legitimate activities of Members of Parliament.

7. Secondary Employment or engagements

Members must take all reasonable steps to disclose at the start of a parliamentary debate:

- (a) the identity of any person by whom they are employed or engaged or by whom they were employed or engaged in the last two years (but not if it was before the Member was sworn in as a Member);
- (b) the identity of any client of any such person or any former client who benefited from a Member's services within the previous two years (but not if it was before the Member was sworn in as a Member); and
- (c) the nature of the interest held by the person, client or former client in the Parliamentary debate.

1.9 INDEPENDENT COMMISSION AGAINST CORRUPTION (ICAC)

The [Independent Commission Against Corruption](#) (ICAC) is a NSW public sector organisation created by the *Independent Commission Against Corruption Act 1988*. The ICAC's principal functions are to investigate and prevent corruption in the NSW public sector. Its mission is to build and sustain public sector integrity.

Although a public authority, it is independent of the government of the day, and is accountable to the people of NSW.

1.9.1 What does the ICAC do?

In order to build and sustain integrity in the NSW public sector, the ICAC:

- Assesses and identifies corruption risks through the analysis of complaints made by individuals and reports made by Chief Executive Officers of public authorities and through research into the nature of corruption risks;
- Investigates corrupt conduct, not just to make findings about individuals, but also to examine the circumstances that allowed the corruption to occur. Recommendations are made and guidance is given to prevent these circumstances recurring;
- Builds corruption resistance by providing advice, information and training to remedy potential or real problems, by:
 - Tailoring solutions to address major risks or assist targeted sectors
 - Working with the public sector to build their capacity to identify and deal with corruption risks.

1.9.2 What should Members know about the ICAC Act?

Both Houses of Parliament adopted Codes of Conduct in 1998. The Code of Conduct is an important document for Members. This is because a serious and substantial breach of the Code of Conduct may constitute corrupt conduct under the ICAC Act.²

Click [here](#) to view the Act.

Therefore, it is in Members' interests that they are familiar with the requirements of the Code of Conduct. In particular, Members should be aware of the requirements of the Code as it relates to the use of parliamentary resources.

Clause 4 of the Members Code of Conduct reads:

'Members must apply the public resources to which they are granted access according to any guidelines or rules about the use of those resources.'

The use of public resources by Members is always a matter of significant public and media interest.

² Members should refer to Part 3 of the Act, in particular section 9.

Chapter 2: Salary, Allowances, Taxation and Superannuation

This chapter provides information about Members' salaries and related benefits. Information relating to superannuation, taxation and personal accident insurance is also included.

2.1 MEMBERS SALARIES

The salaries of Members of the NSW Parliament are paid in accordance with the *Parliamentary Remuneration Act 1989*.

The [2011 Annual Report and Determination](#) of the Parliamentary Remuneration Tribunal stated:

On 27 June 2011, the Parliament passed amendments to section 4 of the Act. The amendments deal primarily with the determination of the basic salary of Members.

Previously, Section 4 of the Act provided that all Members receive a basic salary, which is \$500 less than the salary payable under the law of the Commonwealth to a Member of the House of Representatives.

The amendments to the Act break that nexus in two ways.

Firstly, the link with the salary of Federal Members of Parliament has been severed. The changes effectively provide the Tribunal with the power to determine the basic salary of Members of Parliament rather than a link with the salaries of their Federal counterparts.

Secondly, having provided the Tribunal with the statutory authority to determine the basic salary of State Members of Parliament, the legislation then limits the discretion of the Tribunal as to the quantum that may be determined. At present, the quantum is limited to an increase of no more than 2.5% per annum.

This in effect, aligns any increases to the basic salary of State Members of Parliament to recent changes articulated in the Industrial Relations (Public Sector Conditions of Employment) Regulation 2011 including:

- (a) Public sector employees may be awarded increases in remuneration or other conditions of employment that do not increase employee-related costs by no more than 2.5% per annum.

Additional information is provided in the Annual Report and Determination of the Parliamentary Remuneration Tribunal (PRT) dated 9 September 2011.

Members of the Legislative Assembly and the Legislative Council receive the same basic salary, which is currently \$149,541 per annum, effective from 1 July 2014. Adjustments to the salary rates are published on the Parliament's intranet site.

2.2 RECOGNISED OFFICE HOLDERS (ROH) – ADDITIONAL SALARY AND EXPENSE ALLOWANCES

In addition to the basic salary payable, Members who hold a recognised office receive additional salary and an expense allowance calculated as a percentage of the base salary (as specified in Schedule 1 of the *Parliamentary Remuneration Act 1989*).

Current salary and total remuneration rates for Members and Recognised Office Holders are available on the intranet and internet.

- Salaries and Allowances for Members of the Legislative Assembly – click [here](#).
- Salaries and Allowances for Members of the Legislative Council – click [here](#).

Members holding two or more recognised office holder positions concurrently are only entitled to payment of one additional office holder salary, calculated at the highest rate applicable for the positions held.

2.2.1 Payment Details

Member's salaries, including electoral and expense allowances, are paid on a calendar monthly basis in arrears on the last working day of each month.

The amount payable each month is one-twelfth of the annual salary and allowances. Payment of salary and allowances commences on the day of election and ceases on the day of death, resignation, or midnight preceding polling day following expiry of term.

Recognised Office Holders receive an additional salary of office and expense allowance whilst they hold these positions in accordance with Schedule 1 of the [Parliamentary Remuneration Act 1989](#).

2.3 TAXATION

Salaries and expense allowances paid to Recognised Office Holders are subject to Pay As You Go (PAYG) taxation deductions. As a consequence, Members are required to complete an employment declaration form and supply a tax file number.

Members can arrange for additional taxation deductions to be made from their salary by providing a request in writing to the Payroll Supervisor. Members will receive an annual PAYG Payment Summary at the end of the financial year.

The principal taxation ruling applying to Members of Parliament is TR 1999/10 which can be accessed on the Australian Taxation Office website (by clicking [here](#)). This ruling provides information on income tax and fringe benefits tax arrangements applicable to allowances, reimbursements, donations and gifts, deductions and recoupments for Members of Parliament. The ruling is also available on the Parliament's intranet site under the Members' section (by clicking [here](#)).

The application and interpretation of taxation legislation is complex and Members are advised to seek independent professional advice if they are unsure of any claims and to clarify receipt and record keeping requirements.

Electoral Allowance

Members receive an Electoral Allowance, determined by the Parliamentary Remuneration Tribunal each year. This allowance is paid with the monthly salary payment. PAYG tax is not deducted at the time of payment, unless specifically requested by the Member. The Australian Taxation Office has granted a withholding tax exemption for this Allowance. The Allowance is included in the annual PAYG Payment Summary issued to Members and any claims made against it may require substantiation by the Member.

Sydney Allowance

The Sydney Allowance is paid via the payroll to those Members who elect to receive the allowance annually. It is not taxed at the time of payment and is not included on payment summaries at the end of the financial year as the amount for each overnight stay is below the reasonable limit set by the Australian Taxation Office. Members can request details of the amounts paid from Payroll, if they wish to claim living away from home expenses in excess of the allowance paid by the Parliament.

2.4 SUPERANNUATION

The [*Parliamentary Contributory Superannuation Act 1971 \(NSW\)*](#) provides a superannuation scheme on a contributory basis for Members. The Act was amended in 2005 and related amendments were made to the *Parliamentary Remuneration Act 1989* and the *First State Superannuation Act 1999*.

2.4.1 Parliamentary Contributory Superannuation Fund

The Parliamentary Contributory Superannuation Fund (PCSF) is now closed and is not accepting new members. Members who were sitting Members before the 2007 general election, and former Members who are re-elected to the NSW Parliament after ceasing to be a Member for less than three months, will have their superannuation paid into this Fund.

Trustees

The trustees of the Parliamentary Contributory Superannuation Fund are responsible for the management of the Fund and the exercise of the various powers and discretions provided for in the *Parliamentary Contributory Superannuation Act 1971*.

The Act provides for the appointment of eight trustees: two from the Legislative Council and five from the Legislative Assembly (including a Minister who shall be Chairperson). The Secretary of the Treasury is the eighth trustee.

Fund administration

The Superannuation Administration Corporation of New South Wales, now trading as [*Pillar Administration*](#), administers the Fund on behalf of the trustees.

The trustees have put in place arrangements for the assets of the Fund to be invested by investment managers in accordance with investment objectives and strategies approved by the trustees.

The Fund's investment activities are performed by various investment managers appointed by the trustees.

Defined benefit scheme

The Parliamentary Contributory Superannuation Fund is a defined benefit fund i.e. the benefits are defined by formulas based on salary and service, in comparison to an accumulation style benefit, where all contributions are made by the Member or on behalf of the Member to an account held within the Fund.

Annual statement

After the end of each financial year, Pillar issues to Members an Annual Statement containing information about their current Fund benefits and other matters relevant to their superannuation entitlements.

Contributions

Both the Government and Members make contributions to the Fund. Member contributions are made at the rate of 12.5% of salary as a Member of Parliament, Minister or office holder. The government's contribution is actuarially determined and may vary from year to year.

Members who have attained age 65 and 20 years' service may elect to cease contributing to the Fund. Where such an election is made and approved by the trustees, the Member's pension will be deferred and calculated as if they had ceased to receive a Parliamentary salary at the time of making that election.

When the deferred pension becomes payable, it will be adjusted to the current basic salary paid to all Members.

Benefits

The list of benefits payable from the Fund can be categorised as follows:

- Pension entitlement
- Commutation of pension to a Lump sum
- Retirement due to ill health
- Benefits where there is no entitlement to a pension
- Death benefits.

These benefits are discussed in more detail below.

Pension Entitlement

Pension entitlement arises on ceasing to be a Member for any reason after 7 years aggregate service. Exceptions arise through operation of:

- Section 13A of the [Constitution Act 1902](#) (NSW) which relates to a Member vacating their seat if convicted of an offence punishable by life or imprisonment for 5 years or more or of an infamous crime; or
- Section 19AA of the [Parliamentary Contributory Superannuation Act 1971](#) where a Member has resigned their seat while relevant serious offence proceedings are pending and the Member is later convicted.

Age restriction

A Member who joined the PCSF after 6 December 1999 is not eligible to receive a pension until age 55 or unless the conditions for payment on the grounds of financial hardship or on the grounds of ill health, physical or mental incapacity are satisfied by the trustees of the Fund.

Rates

The value of the pension is determined through the application of the following formula: Annual rate = $A \times B/C$, where:

A = 48.8% of the current basic salary (ordinary annual salary) as a member, the value of which increases by 0.2% of salary for each month of service in excess of 7 years to a maximum of 80% after 20 years

B = the total salary received during the period of service including additional salary as a Minister or office holder

C = the total basic salary received during the Member's period of service

Annual adjustments

Pensions are adjusted in line with movements, as they occur, in the current basic salary paid to all Members. However, the adjustment is applied to the notional full pension entitlement (without regard to any prior commutation of pension) in the case of Members who were Members of Parliament on or before 31 January 1990. Members elected after this date, receive pension adjustments based on their residual (post-commutation) pension only.

Commutation of pension to a Lump Sum

A former Member entitled to payment of a pension may elect to commute all or part of a pension entitlement to a lump sum within three months of ceasing to be a Member or in the case of former Members who joined the Fund after 6 December 1999, when their pension is payable from age 55. The rate of conversion is \$10 lump sum for each \$1 per annum of pension commuted.

A commuted lump sum benefit payable from the PCSF may be required to be preserved within the superannuation system in accordance with the relevant Commonwealth superannuation rules.

Retirement due to Ill Health

A pension is payable on retirement, as a result of ill health or physical or mental incapacity, prior to seven years aggregate service, subject to:

- the Member having passed a medical examination on entry to the Fund
- the Member providing medical evidence satisfactory to the Trustees relating to the cause of retirement.

No commutation (lump sum) right is available for retirement due to ill health.

Benefits where there is no entitlement to a pension

A former Member who is not entitled to an annual pension from the Parliamentary Contributory Superannuation Fund because they ceased to be a Member prior to completing 7 years aggregate service is, unless they ceased to be a Member because of the operation of section 13A Constitution Act 1902, entitled to a refund of contributions plus a supplementary benefit.

Where the former Member ceases to be a Member 'involuntarily', i.e. due to non-selection by political party, defeat at an election, resigning or not standing for election for reasons which to the trustees appear to be good and sufficient, or having attained the age of 60 at the time of ceasing to be a Member – two and one third times the amount of contributions made in the last 7 years or in certain other circumstances (i.e. 'voluntary' resignation) – one and one-sixth times the amount of contributions made in the last 7 years.

Death Benefits

Death benefits may be payable in the following circumstances:

- Where there is a surviving spouse/partner and/or children (known as reversionary benefits) and;
- Where there are no immediate beneficiaries (as identified above).

Spouse/Partner/Children

A pension is payable to a spouse or de facto partner upon the death of:

- a Member; or
- a former Member who was immediately before their death receiving a pension and where the person became the spouse/partner of the former member pensioner before becoming entitled to that pension; or
- a former member with a deferred pension.

Definitions

The Fund legislation defines a spouse and de facto partner separately, as follows:

A **spouse** of a member, or former member, who has died means the widow or widower, as the case may be, of the member or former member.

For the purposes of any Act or instrument, a person is the **de facto partner** of another person (whether of the same sex or a different sex) if:

- (a) the person is in a registered relationship or interstate registered relationship with the other person within the meaning of the [Relationships Register Act 2010](#), or
- (b) the person is in a de facto relationship with the other person within the meaning of the [Interpretation Act 1987 \(NSW\)](#).

Eligibility

A spouse or de facto partner is eligible if:

- He or she became the spouse or de facto partner of the former Member pensioner after the former Member pensioner became entitled to pension; and

- The spouse/partner has or had in that marriage or relationship a child, being a child of the former Member pensioner who was:
 - in the opinion of the trustees, wholly or substantially dependent on the former Member at any time during the marriage or relationship; or
 - conceived before and born alive after the death of the former Member.

Full pension

Where a marriage or de facto relationship existed for a period of more than three years immediately before the death of the former Member pensioner, the eligible spouse/partner is entitled to a full spouse pension entitlement.

Partial pension

Where a marriage or relationship existed for less than three years immediately before the death of the former Member pensioner, the pension is reduced on a pro rata basis according to the proportion that the period of the marriage or relationship bears to three years.

Benefits

The calculation of a spouse/de facto partner benefit can differ depending upon the date that the deceased left Parliament.

If a deceased former Member pensioner left Parliament prior to 13 November 1979, then the benefit is the greater of 62.5% of the deceased's full pension entitlement (without reduction for any pension commuted to a lump sum) and 40% of a current Member's basic salary.

If a deceased former Member pensioner left Parliament or a Member dies, on or after 13 November 1979 the benefit is the greater of 75% of the deceased's full pension entitlement (without reduction for any pension commuted to a lump sum) and 45% of a current Member's basic salary.

If a deceased Member has served less than 7 years, the benefit is simply 45% of a current Member's basic salary.

Pension entitlement for children of the deceased Member or former Member under 18 years of age or full-time students under 25 years of age is at the rate of 10% of current basic salary where there is no surviving spouse/partner and 5% where there is a surviving spouse/partner.

Members' Estate

A lump sum is payable to the estate upon the death of a Member who is not survived by a spouse or de facto partner and there is no child pension payable in relation to the deceased. The lump sum is the greater of:

- An amount equal to the Member's contributions plus a supplementary benefit of 2 and one third times the Member's contributions over the last 7 years; or
- The minimum requisite benefit (an actuarially determined amount), less any pension or other benefits that may have previously been paid in relation to the Member.

Preserved Benefits

Some or all of a Member's benefit may be classified as "preserved" under Commonwealth superannuation standards. A preserved benefit must be retained in the superannuation system until a condition of release is met.

Conditions of release are:

- Death
- Total and permanent incapacity
- Permanent retirement from the workforce between a Member's preservation age and age 60
- Termination of employment from age 60

Any part of a Member's benefit that exceeds their maximum non-preserved amount is preserved. The maximum non-preserved amount is the amount that could have been taken in cash on 1 July 1999 if the Member had left on that day. The preserved component of a benefit can be taken as a pension at any age provided the Member entered the Fund on or before 6 December 1999.

Members and former Members who joined the Fund after 6 December 1999 cannot receive a pension until age 55 or unless the conditions for payment on the grounds of financial hardship or on the grounds of ill health or physical or mental capacity are satisfied.

Taxation

From 1 July 2007, superannuation benefits paid from the Parliamentary Contributory Superannuation Fund taken either as a pension or lump sum will be tax free for Members aged 60 and over. Members not eligible to claim a tax-free benefit will have their benefits taxed depending on whether it is taken as a pension, lump sum or death benefit, as described below.

(a) Pensions

Pensions paid from the Parliamentary Contributory Superannuation Fund are subject to PAYG income tax less a deductible amount for any unused undeducted contributions i.e. the Member's personal contributions paid into the Fund after 30 June 1983. Between 55 to 59 years of age Members will be eligible to apply for further tax relief through the 15% superannuation pension tax offset depending on their preservation age.

(b) Lump sum

A lump sum superannuation benefit payable from 1 July 2007, will comprise two components:

- tax free component; and
- taxable component.

The tax-free component will comprise a Member's pre-July 1983 component, post-June 1994 invalidity component (if applicable) and undeducted contributions.

The taxed component for those members between their preservation age and age 59 will be tax free up to a low rate threshold and taxed at a maximum rate of 16.5 per cent above the

threshold. For those members under their preservation age, this component will be taxed at a maximum rate of 21.5 per cent.

The low rate threshold was set at \$140,000 on 1 July 2007 and indexed to Average Weekly Ordinary Times Earnings (AWOTE) in \$5,000 amounts. The low rate threshold for the 2014-2015 year is \$180,000.

(c) Death benefits

Lump sum death benefits paid direct to a dependant of a deceased Member are tax exempt. Where the payment of a benefit is made to the estate of a deceased Member, no tax will be deducted by the Fund administrator. However, tax may be payable by the estate if a beneficiary was not a dependant of the deceased.

The taxable component of a lump sum paid to a non-dependant will be taxed at 16.5 per cent.

The taxation of a death benefit paid as a pension depends on the age of the former Member and the reversionary beneficiary. If the former Member was aged 60 or over at the time of death, then payments to the reversionary beneficiary will be tax exempt.

If the former Member was under age 60 at the time of death, the pension will continue to be taxed at the reversionary beneficiary's marginal tax rate (less any deductible amount and pension tax offset) unless or until, the reversionary beneficiary is aged 60 or over, in which case it will be tax exempt.

Superannuation Contributions Surcharge Tax

The PCSF is classified by the Australian Taxation Office (ATO) as an unfunded defined benefits superannuation fund. This means that the superannuation contributions surcharge tax that a Member has accrued is not required to be paid by the Fund until the Member commences to receive a benefit. However, Members may make payments to reduce their surcharge liability at any time.

The liability attracts interest each year at the Commonwealth 10 year Treasury bond rate. The balance of a Member's surcharge liability at 30 June each year is charged a full year's interest.

When a Member leaves Parliament, any remaining surcharge liability may be met by a direct payment or by having their benefit reduced (by an actuarially calculated amount if the benefit is taken as a pension).

NSW legislation provides for a maximum amount (known as a surcharge 'cap') by which a Member's benefit can be reduced or which can be paid directly by the Member, to offset the surcharge debt. This 'cap' is based on the maximum surcharge rate: 15% to 30 June 2003, reducing to 14.5% from 1 July 2003, 12.5% from 1 July 2004 and 0% from 1 July 2005. The amount of surcharge liability above that 'cap' is payable by the Fund.

Surcharge tax was abolished from 1 July 2005. This means that surcharge tax is not payable on employer contributions made or accruing on or after this date. However, any surcharge liability that a Member has in respect of surchargeable contributions that were paid or accrued prior to 1 July 2005 is still required to be paid.

Contributions tax for high earners

The *Superannuation (Sustaining the Superannuation Contribution Concession) Imposition Act 2013 (Cth)* received assent on 28 June 2013 and took effect with respect to the 2012/13 financial year and subsequent years. The law inserted includes Division 293 in the *Income Tax Assessment Act 1997 (Cth)* and imposes, from 1 July 2012, a new tax of 15% to the concessionally taxed contributions of high income earners. This new tax (Division 293 tax) effectively reduces the tax concession for very high income earners from 30% to 15% (excluding the Medicare levy).

An individual is generally liable for Division 293 tax if the sum of their income and their low tax contributions for a financial year from 2012/13 onwards is greater than \$300,000.

Income for the purpose of Division 293 tax is similar to the calculation of income for Medicare levy surcharge purposes and is calculated from an income tax return using:

- taxable income (assessable income less deductions);
- total reportable fringe benefits amounts;
- net financial investment loss;
- net rental property loss;
- amounts on which family trust distribution tax has been paid;
- super lump sum taxed elements with a zero tax rate.

These elements are summed (except the super lump sum amount, which is subtracted) to give the income amount for the purpose of Division 293 tax.

Low tax contributions for the purpose of Division 293 tax include all employer contributions (including both superannuation guarantee and salary sacrifice contributions) apart from excess concessional contributions as well as personal contributions for which a deduction has been claimed. For Members in the PCSF, the low tax contributions are an actuarially calculated defined benefit superannuation contribution.

Establishment of a debt account

If a Member receives a Division 293 tax notice of assessment with all or part of the tax raised on contributions made to their PCSF membership, then payment of that portion of the liability will be deferred until the Member becomes eligible to have their “end benefit” paid from PCSF (which will be after the Member leaves the NSW Parliament).

The ATO will establish a debt account for deferred Division 293 tax liabilities and will apply end of financial year interest to that account at the long term bond rate. If a Member has a debt account in respect of their PCSF membership, the ATO will advise the PCSF that they have a debt account, but not the amount of the debt.

Payment of Division 293 tax

Any remaining deferred Division 293 tax debt relating to the PCSF must be paid when a Member’s benefit (their “end benefit”) becomes payable from the Fund. However, there are a number of super benefits that are not considered end benefits – these include:

- a benefit released on the ground of severe financial hardship;
- a benefit released on compassionate grounds; and,
- a Family Law “payment split” from a superannuation interest.

When a Member’s benefit becomes payable, the Fund will calculate the “end benefit cap amount” in relation to the Member’s PCSF benefit and will notify the ATO of this amount. The

ATO will calculate the actual amount payable, which may be less than the debt account in circumstances where the end benefit cap is less than the amount of debt account.

The ATO will raise a debt account discharge liability (the amount payable) and a Release Authority in relation to the Member and will provide these to the Member.

The Member can pay the amount payable directly to the ATO if they wish. If the Member wants the PCSF to make the payment to the ATO of the amount payable from the Member's PCSF benefit, they can provide the signed Release Authority to the Fund along with their application for benefit payment.

A Member can pay part or all of a deferred Division 293 tax debt to the ATO out of their own pocket at any time. However, such a payment would be from after-tax dollars and would not be subject to any reduction due to operation of the end benefit cap.

Service in Other Parliaments

This section provides Members with guidance about recognition of service in the following situations:

- Service in both Houses of NSW Parliament
- Service with another Parliament.

Both Houses - NSW

Pensions and other benefits are payable in respect of a Member who has served in both Houses of Parliament in the same circumstances as for Members who have served in only one House, taking into account the Member's service in both Houses.

Another Parliament

A pension from the Fund is suspended while the beneficiary is a Member of the Commonwealth Parliament or another State Parliament. A pension continues to be payable to former Members who accept office or hold a place of profit under the Crown.

A pension from the Fund may also be suspended or reduced where the beneficiary receives a pension from another Parliamentary fund. However, the NSW pension is generally not subject to suspension or reduction where the other pension is a Commonwealth Parliamentary pension which commenced to be paid after 1 July 1994 (this exemption does not apply where the person is in receipt of a spouse's pension payable in consequence of the death of a Member or former Member of the Commonwealth Parliament, whose membership of that Parliament ceased before 1 July 1994).

Re-election to the Parliament of NSW

A pension ceases to be paid when a former Member has been re-elected to the Parliament of NSW and will re-commence once the new period of service ends.

If the Member is re-elected to Parliament after a break of more than three months from Parliament, then future superannuation contributions will be paid at the rate of 9.5% of 'salary' (effective from 1 July 2014) into First State Super or another complying accumulation superannuation fund or Retirement Savings Account of the Member's choice.

Further information

Given the complexity of the issues surrounding superannuation, Members are again encouraged to seek independent advice to ensure that they are conversant, and comply, with the requirements outlined.

Members have two courses of action available to them:

- Seeking independent financial advice.
- Seeking advice from the fund administrator.

If Members require further information regarding the Parliamentary Contributory Superannuation Fund they should contact:

Pillar Administration
Level 16, 1 Margaret Street
Sydney NSW 2000 GPO Box 3887
Sydney NSW 2001
Phone: (02) 9238 5540

PCSF Administration Officer
Pillar Administration
GPO Box 3887
Sydney NSW 2001
Phone: (02) 4298 6980
Email: pcsf_admin@pillar.com.au

2.4.2 Superannuation Accumulation Scheme

Members elected at or after the 2007 general election are offered membership to either First State Super or to another complying accumulation superannuation fund or retirement savings account of their choice. A Government contribution to superannuation is deposited into the nominated fund each month.

The Government contribution is calculated as 9.5% of salary (effective from 1 July 2014) or the maximum contribution base, whichever is the greater. The maximum contribution base is defined in the Commonwealth's Superannuation Guarantee (Administration) Act 1992 and is \$197,720 per annum with effect from 1 July 2014. This amount is adjusted by the Australian Taxation Office at the start of the financial year.

As noted above, the Electoral Allowance is paid with salary on a monthly basis. However, this is not treated as salary for superannuation purposes.

2.4.3 Salary Sacrifice³

Members of Parliament may access salary packaging arrangements similar to those available to New South Wales public sector employees including additional superannuation contributions.⁴ The *Parliamentary Remuneration Act 1989* defines a **salary sacrifice contribution** as

" a contribution paid in accordance with an approval by the designated employer under which the member elects to forgo remuneration yet to be earned and the remuneration foregone is to be applied by the designated employer as a superannuation contribution to a superannuation fund, approved deposit fund or retirement account."

In this instance, the Executive Manager, Department of Parliamentary Services (DPS) is nominated as the "designated employer" for salary packaging arrangements.

³ *Parliamentary Remuneration Act 1989* No. 160, Part 3A, Division 3, Section 14F, Salary Sacrifice Arrangements

⁴ *Parliamentary Remuneration Amendment (Salary Packaging) Bill 2009*

An election to salary sacrifice is to be in writing. The election only takes effect when it is approved by the Executive Manager, DPS and the trustees or administrator of the superannuation fund or account concerned. An election can also be varied or revoked at any time by the Member in writing to the Executive Manager, DPS.

Members elected since the 2007 State Election, who receive the 9.5% Government contribution may elect, by notice in writing to the Executive Manager, DPS, to make additional superannuation contributions by way of salary sacrifice.

An election to salary sacrifice:

- does not affect the amount that would constitute the salary of a Member for the purposes of calculating government contributions to superannuation
- must specify the percentage or amount of the Member's basic salary and additional salary (if any) payable to the Member that is to be used to make the additional superannuation contributions

Members elected prior to the 2007 State Election may:

- salary sacrifice part or all of their compulsory contribution to their defined benefit schemes held by the Parliamentary Contributory Superannuation Fund (PCSF)
- salary sacrifice additional voluntary superannuation contributions to one of the following:
 - the First State Superannuation Fund
 - a complying superannuation fund
 - a complying approved deposit fund
 - a retirement savings account

All Members of Parliament have the option to salary packaging arrangements for non-superannuation benefits, such as one 100% private novated motor vehicle lease and computers which may be considered ordinary work-related costs of all Parliamentarians. It should be noted that such employment benefits are subject to the provisions of any relevant determination of the Parliamentary Remuneration Tribunal.

Members who require additional information regarding their salary packaging options should contact the Payroll Supervisor on 9230 2569.

Members may also like to consult

- *Parliamentary Remuneration Amendment (Salary Packaging) Act 2009*
- *Parliamentary Remuneration Act 1989*
- *Parliamentary Remuneration Contributory Superannuation Act 1971*

2.4.4 Personal Accident Insurance

Members are provided with 24-hour a day personal accident insurance cover through the NSW Treasury Managed Fund for activities relating to their electorate and parliamentary duties.

Consequently, Members need to satisfy the Treasury Managed Fund, and if subject to dispute, the Treasurer, that they were “on duty” at the time of any accident. There are no specific exclusions from the current personal accident coverage, provided the “on-duty” or “on business” element applies.

Limitations

The level of coverage provided under this policy is equivalent to that payable under current workers' compensation legislation.

The specific amount payable is dependent on the nature and extent of the injuries sustained.

Having regard to coverage being provided for parliamentary and electorate duties only, Members may wish to arrange their own personal accident insurance cover for their non-parliamentary or private activities. Members wishing to lodge a claim or obtain clarification of coverage provided should contact the Financial Services Branch.

Chapter 3: Additional Entitlements - Accountability Framework

This chapter sets out the accountability mechanisms and the Guidelines and Conditions prescribed by the Tribunal as they relate to Additional Entitlements

3.1 PRT GUIDELINES AND GENERAL CONDITIONS

The Tribunal in its Determination provides Guidelines and general conditions relating to additional entitlements and parliamentary duties.

These provide further direction for Members in assessing their use of additional entitlements. They are set out below.

GUIDELINES

In its Determinations, the Tribunal has established three sets of guidelines that apply to the 'receipt, use and operation of additional entitlements (excluding Electoral Allowance)'.

Guideline 1: Parliamentary Duties

1. Circumstances upon which the additional entitlements may be used for parliamentary duties.
 - 1.1. Additional entitlements are provided to facilitate the efficient performance of the following particular parliamentary duties of Members as follows:
 - 1.1.1. Activities undertaken in representing the interests of constituents, but excluding activities of a direct electioneering or political campaigning nature;
 - 1.1.2. Performing electorate work for a Member's electorate and participation in official and community activities to which the Member is invited because of the Member's status as a parliamentary representative;
 - 1.1.3. Attending and participating in sessions of Parliament;
 - 1.1.4. Participation in the activities of Parliamentary committees;
 - 1.1.5. Attending Vice-Regal, parliamentary and State ceremonial functions;
 - 1.1.6. Attending State, Commonwealth and Local Government functions;
 - 1.1.7. Attending official functions to which a Member is invited because of the Member's status as a parliamentary representative, e.g. receptions and other community gatherings hosted by members of the diplomatic corps, educational and religious institutions, community and service organisations, business associations, sporting bodies or other special interest groups;
 - 1.1.8. Participation in the activities of recognised political parties, including participation in National, State and regional conferences, branch meetings, electorate council meetings, executive meetings, committee meetings, and meetings of the Members of the parliamentary political party, its executive and committees;

- 1.1.9. For a Member elected to the Parliament as an independent, participation in activities that are reasonable alternatives to participation in the activities of recognised political parties;
- 1.1.10. A Member who is elected to the Parliament as a representative of a recognised political party and who subsequently resigns from that party membership and thereafter sits as an independent member, howsoever described, shall continue to receive the same entitlements as they received as a member of the party prior to resignation and not the additional entitlements provided to elected independents. The Member is also not entitled to the benefit of the rule in Clause 1.1.9 above;
- 1.1.11. Participation within Australia in the activities of the Commonwealth Parliamentary Association (CPA) as well as activities outside Australia (exclusive of air travel) organised by the Commonwealth Parliamentary Association provided such activities arise directly from Membership of the New South Wales Branch and officially endorsed by the Branch. Members may utilise Frequent Flyer Points which have been accrued as a result of the use of public funds to purchase international flights or obtain an upgrade in seat class in order to attend CPA activities;
- 1.1.12. Participation in a Parliamentary Group such as the Asia Pacific Friendship Group; provided that, such group is approved in writing by the President of the Legislative Council and the Speaker of the Legislative Assembly.

Guideline 2: Activities of Recognised Political Parties

As noted above, in certain circumstances Members are entitled to use their entitlements to aid their involvement in activities of these recognised political parties (see 1.1.8 above). The Guidelines, however, identify those circumstances where Members are prohibited from using their entitlements for political party purposes.

- 2. Where any additional entitlement fixed by this Determination is to be used for the purpose of facilitating Members' participation in the activities of recognised political parties, the Tribunal sets out the following guidelines as to the use of that additional entitlement:
 - 2.1 Parties registered under the [Parliamentary Electorates and Elections Act 1912](#), and included in the register of parties maintained by the Electoral Commissioner, are to be treated as recognised political parties.
 - 2.2 Additional entitlements should not be used to fund:
 - 2.2.1 activities such as those associated with party membership drives;
 - 2.2.2 mail distributions for non-electorate or non-parliamentary activities;
 - 2.2.3 costs associated with election campaigning for an individual Member;
 - 2.2.4 party fundraising for a Member's own political use and/or other party political Members such as the purchase of raffle tickets, raffle prizes or tickets to attend functions etc, and
 - 2.2.5 costs previously borne by political parties which are not principally related to a Member's parliamentary or electorate duties;
 - 2.2.6 costs associated with pre-selection activities.
 - 2.3 The electorate office provided for a Member of the Legislative Assembly is not to be used as an election campaign office.

Guideline 3.1: 'Intermingling' of Parliamentary Duties

3. The Tribunal sets out the following additional and general guidelines:

- 3.1 Some intermingling of a Member's parliamentary duties and private activities is, in practical terms, not always easily avoided, but the onus is always on the Member to show that any expenditure or any claim for reimbursement relates to parliamentary duties, or to the parliamentary duties component of costs incurred for intermingled parliamentary duties and private purposes.

Such 'intermingling' might occur in one or more of the following situations:

- parliamentary duties and personal and or family related duties i.e. where a Member drives from home to Sydney accompanied by a family member;
- parliamentary duties and non-allowable political party duties;
- parliamentary duties and other business duties, that is, work not related to a Member's work as a parliamentarian;
- parliamentary duties and Electioneering / Campaigning.

There are a number of resources that should not be intermingled under any circumstances. These include:

- parliamentary staff
- parliamentary offices
- stationery
- allowances relating to travel.

In assessing any claim involving intermingling of parliamentary duties, the Parliament applies a combination of the following tests:

1. principal purpose test
2. proportional approach
3. reasonable assessment test

Further details on these tests are set out below:

Principal purpose test

In applying the 'principal purpose test', Members should consider the main or principal purpose of the expenditure and whether it is appropriate that public funds be expended for that purpose.

For example, attendance at an event which was advertised as a party fund raising event should be considered as the principal purpose for which the Member attended and therefore use of parliamentary entitlements for such a purpose would be inappropriate.

Proportional approach

The 'proportional approach' involves:

- Members disentangling the costs associated with their parliamentary duties from those incurred for non-parliamentary purposes.

- Determining the proportion of the cost incurred relating to non-parliamentary duties and claiming only that proportion relating to their parliamentary duties.

This approach may be useful in claiming phone, fax or Sydney allowance expenses. For example, where 50% of a Member's mobile phone call costs were for parliamentary duties and 50% were for private or non-parliamentary purposes, the member would incur 50% of the call cost themselves and the LSA would cover the 50% used for parliamentary duties.

Reasonable assessment approach

In applying the 'reasonable assessment approach' members should consider whether or not any reasonable assessment of their expenditure could invoke public criticism. This is also referred to as 'the front page' of the newspaper test and is explored later in this chapter.

Guidelines 3.2 and 3.3: Activities of Members

The Tribunal also outlines that a Member's parliamentary work and activities within the broader community should be treated as parliamentary duties. The Guidelines read:

- 3.2 In the case of parliamentary work, any activities in which a Member's involvement may reasonably be regarded as deriving from the Member's responsibilities as a parliamentary representative should be treated as parliamentary duties.
- 3.3 In the case of a Member's activities within the broader community outside the Member's electorate, activities that may reasonably be regarded as deriving from the Member's status as a parliamentary representative should be treated as parliamentary duties.

GENERAL CONDITIONS APPLYING TO ADDITIONAL ENTITLEMENTS

In addition to the Guidelines, the Tribunal sets out in its Determination eleven general conditions that apply to all additional entitlements. The general conditions are in addition to 'any special conditions attaching to the provision of allowances or other benefits' specified elsewhere in the Determination. These general conditions are set out below.

Condition 1: Purchasing Policy

1. All procurement by Members will be in accordance with the Parliament's purchasing policies.

The Parliament's Custody Asset Policy makes provision for the monitoring, tracking and control of all assets purchased or received by the Parliament. This includes assets under the care of Members and all staff of the Parliament.

All custody assets are the property of the Parliament of New South Wales. Custody or custodial assets are those assets that:

- have a purchase cost between \$300 and \$4,999 (ex GST);
- are in the custody of a particular person or group;
- have a useful life of more than one year;
- have a value under \$300 but are considered by their nature to be attractive items and are expended on purchase.

The Manager, Members' Entitlements, or a delegated officer, must approve all asset purchases through the LSA that cost \$300 or more (excluding GST) to ensure they comply with the PRT Determination and the Parliament's purchasing policies.

An asset register records details of custodial assets including LSA equipment and furniture purchases. The register allows all assets to be tracked over their life and ensures that assets are, purchased, controlled, reviewed and disposed of appropriately.

Members are required to complete a Custody Asset Advice Form for all assets equal to or exceeding \$300 in value (excluding GST).

Purchases that do not comply with the above conditions may not be reimbursed by the Parliament and the Member may have to meet the cost personally.

Condition 2: Sufficient Funds

2. Members must ensure that they have sufficient funds to meet the costs associated with their parliamentary duties.

To assist Members in tracking expenditure and managing entitlements budgets, customised spreadsheets have been developed and are issued to each Member for use by them or their staff.

Conditions 3, 4, 5: Logistic Support Allocation

3. Each Member shall have, in addition to payments of the Electoral and Sydney Allowance, an account entitled the 'Logistic Support Allocation' which shall cover expenditure in the areas of transport (excepting for electorate to Sydney travel), communications, printing and stationery and office supplies and other purposes related to a Member's parliamentary duties not specifically excluded by the Parliamentary Remuneration Tribunal, the Parliament's administration or taxation ruling TR99/10.
4. The Logistic Support Allocation shall be established and maintained by the Executive Manager, Department of Parliamentary Services. Members should be advised by the Department of Parliamentary Services each month as to the balance of their Logistic Support Allocation.
5. Nothing shall prevent the use of the Electoral Allowance for legitimate electorate expenses which might also fall within the categories of expenses covered by the Logistic Support Allocation.

Condition 6: 60 Day Rule

6. All accounts and Members' claims must be submitted to the Legislature for payment within 60 days of receipt or occurrence of the expense.

The principle underlying this condition is that it becomes more difficult with the passage of time to resolve any issues arising from the claims submitted. Non-compliance with the 60-day rule has been raised as a concern in management letters received from the Audit Office and the Audit Office regularly examines compliance with the rule.

It is the Parliament's policy to remind Members of their obligations under this Guideline that claims should be submitted in a timely manner. Parliament may seek explanation for late submission. Members should be aware that claims may be denied in these circumstances except

where the claim could not be submitted within the prescribed period for reasons beyond the control of the Member.

Condition 7: Audit of Entitlements

7. All Members' additional entitlements in the nature of fixed allocations and Sydney Allowance provided to Members shall be audited annually for compliance. In addition to any internal audit conducted by the Parliament, Members' additional entitlements in the nature of fixed allocations and the Sydney Allowance provided to Members shall be the subject of an external audit conducted by the Auditor-General of NSW. The cost of any audit shall be met by the Parliament. Members should ensure they maintain appropriate records of expenditure for the purpose of any audit.

The Tribunal noted in its report dated 4 December 2000 that:

... it is an essential ingredient of the system of entitlements that Members shall be accountable for public monies claimed under this determination. An important aspect of ensuring accountability is the process of auditing of, for example, fixed allocations ...⁵

The role of auditing is dealt with below.

Condition 8: Parliamentary Duties

8. Expenditure is only to be incurred in connection with the parliamentary duties of Members (and in this respect the Member should refer to the guidelines in this determination and those issued by the Parliament).

Condition 9: Sole Use of Member

9. The various allowances determined here, as well as the Logistic Support Allocation are for the sole use of the Member and are not to be transferred to other persons or organisations including Members. The Member may use his/her entitlements to meet official costs of the approved relative and/or staff employed by the Parliament when that expenditure is in connection with official parliamentary duties.

In a ruling dated 24 July 2002, the Parliamentary Remuneration Tribunal advised that

'...members may use their Electoral Allowance to fund expenditure associated with the cost of printing material on behalf of community groups, however, may not use their Logistic Support Allocation for this purpose'.

Condition 10: Loyalty Schemes

10. Benefits accrued by a Member by way of loyalty / incentive schemes such as frequent flyers, as a consequence of the member using his or her additional entitlements, are to be used only for parliamentary duties and not for private purposes. Any outstanding benefits of this nature, when the Member ceases to be a Member, are to be forfeited. Members shall be required to complete an annual declaration form provided by the Department of Parliamentary Services at the end of each financial year or within 30 days of ceasing to be a

⁵ Parliamentary Remuneration Tribunal, 4 December 2000

Member declaring that they have not used loyalty / reward benefits accrued through the use of their additional entitlements for non-parliamentary or electorate purposes.

Condition 11: Payment of Accounts

11. Accounts relating to the use of a Member's additional entitlements in the nature of fixed allocations will be paid directly by the Parliament and debited to the Member's account or paid in the first instance by the Member who would then seek reimbursement from the Parliament.

3.2 ACCOUNTABILITY AND RESPONSIBILITIES

3.2.1 Principles for claiming entitlements

All additional entitlements are provided under PRT Determinations for the 'purpose of facilitating the efficient performance of the parliamentary duties of Members'. The application form requires Members to certify that the funds were expended for parliamentary duties. Claim forms contain a declaration that requires the Member to certify:

- The expenditure was in accordance with the current PRT Determination, is in accordance with the guidelines in the Member's Entitlements Handbook and has not been used for direct electioneering or political campaigning
- That adequate documentation to support the claim is held by the Member and will be produced for audit when required.

All claims must be personally signed by the Member.

Situations may however arise, where a Member is unable to personally sign a claim form due to extended absences from the office. In such cases, Members are encouraged to contact the Manager, Members' Entitlements on (02) 9230 3041 to make alternative arrangements.

Pre-signed claim forms and electronic / stamp signatures are not accepted.

To access entitlements, Members are required to complete a claim form, attach the supporting original tax invoice and forward it to Members' Entitlements. Each entitlement has a specific claim form, designed to ensure that Members provide the information and documentation necessary for the claim to be processed. The information requested on each form, if completed appropriately, will support the Member's claim.

If a Member's spouse/approved relative or employee of the Parliament has incurred the expenditure, the spouse/approved relative/employee must also sign the form as the claimant. If the claimant wishes that the Member be reimbursed a notation to this effect should be made on the application form.

Most documentation (excluding original tax invoices) needs to be retained by the Member and presented on request for audit purposes. Any documentation that needs to be attached to the form (i.e. original tax invoices) will be specified on the claim form. Members are required to retain a copy of all completed claims and should record the expenditure in the budget spreadsheet provided by the Parliament to assist with monitoring the relevant budget and ensuring that the entitlement is not overspent.

If an application form is incomplete, the claim will be returned to the Member with a request to complete the form as required.

Forms are updated annually where necessary to reflect changes made to entitlements by the Tribunal in its annual Determination. Members need to ensure that they are using the forms that relate to the Determination under which the expenditure was incurred.

3.2.2 Risk Management Approach

The Parliament has adopted a risk management approach to the administration of Members' entitlements, the key to which is a self-assessment regime on the part of Members.

This risk management approach to the administration of entitlements allocates resources, previously used to closely scrutinise all returns, to providing efficient processing, expert advice, training and education, and provision of systems to support Members to manage and be accountable for claims.

In accordance with the self-assessment model, entitlement claims will generally only be subject to a high level review by Members' Entitlements staff at the time of processing. Further reviews of entitlement use are likely to follow through both internal and external audit reviews. Members should therefore ensure they retain supporting documentation to substantiate entitlement claims made.

An integral part of this approach is utilisation of a structured internal audit program.

This approach provides the following benefits:

- Accountability is with the member which is consistent with the *Parliamentary Remuneration Act 1989*;
- Increased flexibility through the removal of the requirement to provide unnecessary paperwork with claims submitted for payment, leading to faster processing times
- Increased emphasis on education, system support and expert and consistent advice
- Availability of up to date information on allowances and balances
- Increased accountability through a rigorous internal and external audit program.

3.2.3 Members' Obligations

The self-assessment regime requires Members to acknowledge their legislative responsibility in using and claiming additional entitlements and to accept full accountability in regard to the decisions they make regarding those entitlements.

The key principles guiding the administration of Members' entitlements under a risk management / self-assessment regime are that:

- Members are accountable for all expenditure of entitlements
- The onus is always on the Member to show that any expenditure or any claim for reimbursement relates to parliamentary duties
- Members must not overspend their allocation.

Members are obliged to:

- Manage the funds that they are provided with to efficiently discharge their public duties and be able to demonstrate that any expenditure or any claim for reimbursement relates to parliamentary duties. In using the funds, comply with the Parliamentary

Remuneration Act, the Parliamentary Remuneration Tribunal Determination and all related policies and guidelines detailed in this Handbook and published on the Parliament's intranet

- Submit claims for payment to the Financial Services Branch within 60 days of receipt or occurrence of the expense
- Maintain the expenditure tracking spreadsheet provided by Parliament or use another record keeping system. To this end, specialised spreadsheets are available to assist in tracking expenditure. Members should reconcile finances and raise areas of dispute to avoid over expenditure of entitlements. The monthly finance report provided by the Financial Services Branch should be used to assist with this process
- Retain financial documentation, including receipts and explanatory note and ensure that it is up to date and accessible. Copies of all documentation and claim forms sent to the Financial Services Branch should also be retained by each Member
- Use the resources provided (the Members' Entitlements Advisory Service, the Entitlements Handbook, PRT Determination, Parliamentary Ethics Adviser, intranet policies and guidelines) to inform the decision making processes
- Participate in the audit process by cooperating with staff and auditors and providing access to the necessary documentation.

By signing each claim form, the Member is certifying their accountability. Members must personally sign the form.

3.2.4 Reasonable Assessment

When using an entitlement, Members need to make an assessment as to the legitimacy of claims. It is suggested that the 'reasonable assessment' approach is used in this regard.

Under the 'reasonable assessment' approach, a Member considers whether or not any reasonable assessment of their expenditure could invoke public criticism. In making this assessment there are four tests to consider:

1. Legal test – is the use of the entitlement illegal?
2. Stench test – does the whole thing stink, intuitively and viscerally?
3. Front page test – how would it feel if every detail of the decision showed up in tomorrow's newspaper?
4. Mum test – what would someone you respect i.e. your mother, do in your shoes?

If there is argument on either side, and the decision could be swayed either way, a right versus wrong dilemma exists.

3.2.5 Risk Assessment Matrix

The Federal Parliament has developed a risk assessment matrix for the assistance of its Members. Claims are assessed against the criteria in the matrix. It is provided for the assistance of Members.

Is it within the rules?	How would it look? Is it defensible?	What is the overall risk assessment?
Clearly yes	Fully defensible	Low risk
Technically yes	Some difficulty in defending publicly	Medium risk
Arguably yes	May / would attract criticism	High risk
Clearly no	Would certainly attract criticism	Unsafe / unlawful

3.2.6 Auditing

The PRT Determination prescribes for the audit of Members' additional entitlements.

Internal Auditing

A rigorous internal audit program is in place to complement the risk management approach to the administration of Members' entitlements.

Random internal audits are conducted throughout the year, whereby approximately 25 per cent of all Members are annually subject to audit by the Parliament's internal auditors. Members can expect, therefore, to be the subject of an internal audit at least once in a 4-year period with a number of Members randomly selected for additional audits within this time period.

At the conclusion of each Member's internal audit, a draft report is issued to the Member concerned for review and comment, prior to finalisation.

In addition to individual member audits at least one particular category of entitlement is also subject to audit each year.

The internal audits also look for patterns and trends that can then be used to inform training and education programs or modifications to policy or processes. These findings are also made available to the Audit Office for consideration as part of its external audits.

Reports from both internal and external audit processes are made available to the Executive Manager and the Audit and Risk Committee for follow-up action. Significant findings and resulting recommendations arising from the internal audit of entitlements are included in the Annual Report of each House Department.

External Auditing

The NSW Auditor-General is responsible for audits and related services. The Audit Office conducts financial and performance audits, principally under the *Public Finance and Audit Act 1983* and the *Corporations Act 2001* and examines allegations of serious and substantial waste of public money under the *Public Interest Disclosures Act 1994*.

The Auditor-General forms part of the accountability mechanism whereby the Parliament holds the Government accountable for fulfilling its responsibilities. The Audit Office assists the Auditor-General in satisfying this role.

The Audit Office conducts an annual external audit as prescribed by the Parliamentary Remuneration Tribunal. The Audit Office completes the audit in stages throughout the year and reports on the audit results to Parliament.

The audit procedures include examination, on a test basis, of evidence supporting individual Members' claims. These procedures are undertaken in order to obtain reasonable assurance that additional entitlements paid to each Member in the form of fixed allocations and the Sydney Allowance comply with the PRT Determination.

Information acquired by the Audit Office during the audit is subject to strict confidentiality requirements. Information will not be disclosed to other parties except as required or allowed for by law or professional standards, or with Members' express consent.

The audit files may, however, be subject to review:

- As part of the review conducted pursuant to section 48A of the *Public Finance and Audit Act 1983* which monitors compliance with professional standards by the Auditor-General or
- By the Audit Office's quality certification auditors to enable the Audit Office to maintain its accreditation under International Quality Standard ISO 9001.

The same strict confidentiality requirements apply to the recipients of the audit files as apply to the Audit Office as the Parliament's auditor.

The Audit Office complies with the provisions of the *Privacy and Personal Information Protection Act 1988*.

Contact Details

Street Address: Level 15, 1 Margaret Street, Sydney NSW 2000, Australia
 Postal Address: GPO Box 12, Sydney NSW 2001, Australia
 Telephone: (02) 9275 7100
 Facsimile: (02) 9275 7200
 Website: www.audit.nsw.gov.au

3.2.7 Annual Reporting

In addition to the disclosure of details on travel undertaken by Members and approved relatives and staff for the purpose of delegations, study tours, committee responsibilities and for other related purposes, the annual report of each House publishes the following information relating to Members' entitlements:

Legislative Assembly

- Electorate Communication Allowance
- Sydney Allowance
- Committee Allowance
- Electorate to Sydney Travel
- Charter Transport Allowance
- Logistic Support Allocation (LSA) total expenditure
- LSA travel expenditure – Members, Spouse/approved relative, Members' staff
- Additional Temporary Staff
- Travelling allowances for recognised office holders

Legislative Council

- Sydney Allowance
- Committee Allowance
- Home to Sydney Travel
- Logistic Support Allocation (LSA) total expenditure
- LSA travel expenditure – Members, Spouse/approved relative, Members' staff
- Travelling allowances for recognised office holders

This enables the public to identify how monies are being expended for each entitlement category.

Details of individual transactions, however, are not published. Members will be provided with an advance copy of any material relating to Members' expenditure that is proposed for inclusion in the annual report to confirm accuracy prior to publication. Expenditure that is not captured in the Parliament's annual financial statement for a particular year due to late submission/processing of applications for payment or reimbursement from parliamentary entitlements will be recorded separately.

3.2.8 Responses to non-compliance

The system of risk management and self-assessment by Members is supported by a regime of responses to non-compliance.

Examples of non-compliance include:

- Lodgement of claims for non-parliamentary business purposes
- Lodgement of claims for expenditure not allowed by the Parliamentary Remuneration Tribunal Determination or the Parliament's administrative guidelines
- Late lodgement of accounts and claim forms (outside 60 days from receipt or expenditure)
- Overspending allocated funds
- Inaccuracies and omissions in record keeping and claim forms
- Inadequate supporting documentation retained
- Inappropriate expenditure that does not relate to the 'efficient performance of parliamentary duties'.

In determining whether a Member has not complied, Members' Entitlements staff and internal auditors will make an initial assessment in regard to the facts, seriousness and nature of the particular incident. This assessment shall be subject to review by the Manager, Members' Entitlements and referred to the Executive Manager, Department of Parliamentary Services as appropriate for serious breaches that may require further reporting or action.

Consideration will also be given to the following factors:

- Was it an isolated occurrence of non-compliance?
- Has the Member demonstrated previous examples of non-compliance?
- How serious is the issue?
- What are the circumstances surrounding the issue?
- How will the non-compliance affect the Parliament and or other Members?
- Are the policies and guidelines in place adequate?

Following consideration of those factors, the Executive Manager may issue:

- A letter of advice to the Member that acknowledges the issue and refers the Member to the appropriate policy, determination and/or code of conduct
- A written caution that clearly states the process not complied with. The caution should clearly state what is expected from the Member, who should also be referred to available resources that will facilitate future compliance.

The Member will be given an opportunity to respond and make any relevant comment regarding extenuating circumstances.

The Member must refund expenditure that has been incorrectly claimed and reimbursed by the Parliament, or alternatively subsequent claims for re-imbursement may be adjusted as required.

In instances where entitlement expenditure has already been incurred by the Member and subsequently been rejected for reimbursement by the Parliament, the Member will be responsible for absorbing the cost and paying the service provider direct.

Matters involving serious allegations of misconduct and inappropriate use of resources (e.g. fraud) may be referred to the ICAC.

Where there is repeated non-compliance in respect of a certain nature of claims, this may be drawn to the attention of auditors during audit processes.

Chapter 4: Additional Entitlements available for all Members

This chapter gives a general overview of the additional entitlements available to all Members of the Parliament of NSW, being the Electoral Allowance, Committee Allowances and the Logistic Support Allocation. Members are also directed to Chapter 7 – Equipment, Services and Facilities, for further information on entitlements for all Members.

4.1 ELECTORAL ALLOWANCE

As noted in Chapter One, Part 3 of the Act provides for the Tribunal to make determinations ‘as to additional entitlements for members or recognised office holders’ and that the ‘additional entitlements are to be provided for the purpose of facilitating the efficient performance of the parliamentary duties of members or recognised office holders’.

The Act defines additional entitlements as ‘the electoral allowance and other additional entitlements under Part 3’.

Section 10 (3) states that,

A determination may provide for additional entitlements in any form, including but not limited to:

- (a) the payment of additional allowances in terms of allowances, fees and other emoluments payable in money (including for example travel allowances, travel expenses, and committee allowances), and
- (b) the provision of services, facilities and equipment (including for example electorate services, electorate staff, electorate offices, office equipment, travel, and communication equipment).

4.1.1 Purpose

The Electoral Allowance is paid to all Members and Recognised Office Holders for the performance of parliamentary or electoral duties and is paid to cover incidental expenditure incurred in discharging these responsibilities.

In this regard, the 2013 Determination states that:

‘The allowance is based upon those factors which have historically been taken into account in assessing the quantum of the allowance (including the additional costs associated with the performance by Members of their parliamentary duties in their electorates).’

Traditionally, the Electoral Allowance has been used by Members, for example, to acquire, operate and maintain a motor vehicle for the purpose of servicing their electorate. Other uses include the purchase of raffle tickets and/or providing donations at various functions throughout their electorate and the purchase of trophies/prizes for school presentation days, floral tributes at commemoration days, and so on.

The PRT Determination specifies the guidelines and conditions of use for all entitlements. It states under condition 5:

‘Nothing shall prevent the use of the Electoral Allowance for legitimate electorate expenses which might also fall within the categories of expenses covered by the Logistic Support Allocation.’

4.1.2 Entitlement

Section 10 (2B) 3 of the Act sets out the payment provisions relating to the Electoral Allowance, stating that,

- (a) the allowance is payable to Members (whether or not recognised office holders).
- (b) the allowance is payable in money.
- (c) the allowance is payable as compensation in respect of all incidents of the performance of parliamentary duties (other than those compensated or reimbursed by other additional entitlements).
- (d) different amounts may be fixed for different Members or classes of Members.

The Tribunal sets the amount payable in its annual determination. [The 2014 PRT Determination](#) fixed the allowance payable per annum for Legislative Assembly Members in each electorate group as follows:

1 July 2014 to 27 March 2015 (inclusive)

Electorate Group	Electoral Allowance
Group 1	\$45,160
Group 2	\$52,885
Group 3	\$62,325
Group 4	\$68,035
Group 5	\$72,365
Group 6	\$79,330
Group 7	\$92,785

28 March 2015 to 30 June 2015 (inclusive)

Electorate Group	Electoral Allowance
Group 1	\$45,195
Group 2	\$52,925
Group 3	\$62,375
Group 4	\$68,090
Group 5	\$72,425
Group 6	\$79,395
Group 7	\$92,860
Group 8	\$126,980

The electoral allowance for each Member of the Legislative Council was set under the 2014 PRT Determination at \$52,885 for the period 1 July 2014 to 27 March 2015 (inclusive) and \$52,925 for the period 28 March 2015 to 30 June 2015 (inclusive).

4.1.3 Payment and taxation of the allowance

As noted in Chapter Two one-twelfth of the allowance is payable each calendar month in arrears, along with the monthly salary payment. As the Australian Taxation Office (ATO) has granted a withholding tax exemption for this Allowance, it is not taxed at the time of payment unless requested by the Member.

The Allowance is included in the annual PAYG payment summary issued to Members. When the Allowance is not fully expended or the expenditure incurred is not allowed as a tax deduction by the ATO, that portion is subject to the same tax rates as normal income.

Members are not required to account for use of this allowance to the Parliament. Members will however, be subject to the substantiation rules determined by the ATO.

Further information regarding ATO substantiation rules are provided in [Taxation Ruling 1999/10](#).

Managing the Electoral Allowance

Members may wish to establish a separate bank account to assist in accounting for expenditure from this allowance. Arrangements can be made with the Payroll Supervisor for the allowance to be deposited into a nominated bank / building society / credit union account. Further information is available from Payroll staff on 9230 2569.

4.2 COMMITTEE ALLOWANCES

The 2014 Determination states:

'Members of the Legislative Council and the Legislative Assembly serving as Chairpersons of Joint Committees, Select Committees and Standing Committees shall be paid the sum of \$190.00 for each day upon which they attend a meeting or an official visit of inspection if that day is one upon which the Legislative Council (so far as a Member of the Council is concerned) or the Legislative Assembly (so far as a Member of the Assembly is concerned) is not sitting. This allowance is not payable to Chairpersons in receipt of a salary of office as specified in Schedule 1 of the Parliamentary Remuneration Act 1989.'

4.2.1 Public Accounts Committee

With regard to the Public Accounts Committee, the Determination states that:

'Members of the Public Accounts Committee, other than the Chairperson of the Committee or another Committee in receipt of a salary of office as specified in schedule 1 of the Parliamentary Remuneration Act 1989, shall each receive a committee allowance of \$4,405 per annum.'

4.2.2 Claiming the Allowance

Payment of the Chairperson's Committee Allowance and the Public Accounts Committee Member committee allowance are processed each calendar month and paid through the Member's payroll, along with normal salary.

Both allowance types are taxed at the time of payment.

Members must send a completed and signed claim form to Members' Entitlements for all payments from the Committee Allowance. Members should supply the supporting documentation that substantiates their eligibility to receive the entitlement. This documentation may be required for inspection for audit or other purposes.

Documentation to support the claim should include details of:

- The name of the Committee
- The name of the Chairperson in attendance, and
- The date of the committee's official meeting, visit or inspection.

Examples of appropriate documentation include the minutes or transcripts from meetings or inspections or resolutions of the House.

4.3 LOGISTIC SUPPORT ALLOCATION (LSA)

4.3.1 Purpose

'The purpose of the Logistic Support Allocation is to provide Members with sufficient funds to cover the operational costs of undertaking their parliamentary duties'.

However, 'the items in respect of which the LSA may be used must not duplicate services already provided to Members by the Parliament and the expenditure must be consistent with the Determination and in accordance with General Condition 3' of the PRT Determination.

General Condition 3 of the 2014 Determination states:

'Each Member shall have, in addition to payments of the Electoral and Sydney Allowance, an account entitled the "Logistic Support Allocation" which shall cover expenditure in the areas of transport (except for electorate to Sydney travel), communications, printing, stationery and office supplies and other purposes related to a Member's parliamentary duties not specifically excluded by the Parliamentary Remuneration Tribunal, the Parliament's administration or taxation ruling TR99/10.'

4.3.2 Entitlement

The LSA entitlement is determined annually by the Tribunal and is based on electorate groupings for Legislative Assembly Members and zones for Legislative Council Members. The 2014 Determination provides the following amounts:

1 July 2014 to 27 March 2015 (inclusive)

Electorate Group	LSA
Group 1	\$35,470
Group 2	\$39,695
Group 3	\$42,460
Group 4	\$42,460
Group 5	\$42,460
Group 6	\$45,225
Group 7	\$45,225

28 March 2015 to 30 June 2015 (inclusive)

Electorate Group	LSA
Group 1	\$35,470
Group 2	\$39,695
Group 3	\$42,505
Group 4	\$42,505
Group 5	\$42,505
Group 6	\$45,280
Group 7	\$45,280
Group 8	\$54,980

Each Member and Recognised Office Holder of the Legislative Council who resides in one of the following zones will be entitled to an annual allocation for the Logistic Support Allocation as follows:

1 July 2014 to 30 June 2015 (inclusive)

Zone	LSA
Zone 1 Electorates	\$24,055
Zone 2 Electorates	\$24,770
Zone 3 Electorates	\$36,705

'Recognised Office Holders are entitled to further additional entitlements as specified in Schedule 3 of the Determination', a copy of which follows:

Recognised Office Holder	Transport	Communication – Electronic	Communication – Non Electronic	Printing and Stationery, Office Supplies & Services
Presiding Officer	30%		55% (A) 175% (C)	40%
Minister				40%
Deputy Speaker, Chair of Committees				40%
Leader of the Opposition	20% (A)		140% (A) 175% (C)	40%
Deputy Leader of the Opposition	10%		15% (C)	40%
Whips			15% (C)	40%
Party Leader (not less than 10 Members)	15%			40%
Deputy Party Leader (not less than 10 Members LA or 9 Members LC)	10%			40%
Leader of the National Party (in Opposition with not less than 10 Members in LA)	15%		15%	40%
Other Recognised Office Holders				40%
Independent Members				20%

Recognised Office Holders and Members referred to in Schedule 3 receive additional entitlements for one office only, that office being the office which attracts the greater level of entitlements. These entitlements, as they apply to Recognised Office Holders, are to be available only for Recognised Office Holder duties.

Where entitlements were formerly provided for the Recognised Office Holder's approved relative these have been included in the allocation.

Where an entitlement is followed by (A) or (C) it applies only to the Recognised Office Holder in either the Assembly or the Council.

4.3.3 General Conditions Pertaining to Use of the LSA

The LSA is subject to the guidelines and conditions for use specified by the Tribunal in its annual Determination. These were set out in Chapter 3.

Primarily, these conditions state:

- All purchases must be in accordance with the Parliament's purchasing policies
- Members must ensure they have sufficient funds to meet the costs associated with parliamentary duties

- Expenditure is only to be incurred in connection with the parliamentary duties of Members
- Allowances are provided for the sole use of the Member and are not to be transferred to other persons or organisations including Members. However, Members may use their entitlements to meet official costs of approved relative and/or staff employed by the Parliament when that expenditure is in connection with official parliamentary duties.

In addition, the [PRT Determination \(2014\)](#) sets out particular conditions relating to the LSA Account, including the identification of the four categories within the total LSA for which purchases can be made under that total allocation. As well, the Tribunal set out particular conditions relating to these four LSA categories.

These four categories are:

- Transport
- Communication - electronic
- Communication – non electronic and
- Printing, Stationery, Office Supplies and Services.

These are addressed in greater detail later in this chapter.

The following general LSA conditions are derived from the 2014 PRT Determination.

The Department of Parliamentary Services shall be available to assist Members in self-assessing that use of their LSA is consistent with this Determination. Assistance provided shall be in the form of an advisory service and will include the provision of information and guidelines that have regard to taxation, accounting and funding implications. This advice shall not abrogate Members from their responsibilities in accordance with Guideline 3.1 under 1. Guidelines of Guidelines and General Conditions Regarding Additional Entitlements for Members in Connection with Parliamentary Duties and other provisions of the Determination.

1. Subject to these conditions, each Member shall determine at his/her own discretion the use of the funds within this Account for the purpose and operations specified above.
2. It is the primary responsibility of Members to ensure that they manage their Logistic Support Allocation Account to ensure that they do not over-expend their budget. The Tribunal will not provide for supplementation of this Allocation. However, the Logistic Support Allocation is not intended to restrict the proper use of the Electoral Allowance.
3. Members may not use their Logistic Support Allocation to procure goods or services to be used for direct electioneering purposes or political campaigning.
4. Members will not be permitted to use their LSA for the production and distribution of publications (paper based or electronic) intended for multiple distribution either electronically, by mail, letterbox drop, newspaper supplement/insert or handout during the period from 26 January in a State election year to the election date. This includes all written, drawn or pictorial matter, including advertisements, but not general office correspondence.
5. Any unused Logistic Support Allocation remaining in the Members' account at the end of the financial year within the four year parliamentary term shall be carried over to the following financial year. At the end of each four year term or the earlier dissolution of the Legislative Assembly, any unused Logistic Support Allocations are forfeited.
6. Members must personally authorise expenditure from their Logistic Support Allocation. Whilst subject to both the general and particular conditions, together with the Parliament's administrative guidelines Members may determine at their discretion use of

the LSA available for any purpose and operation provided the total allocation is not exceeded. The following table outlines the basis upon which the Tribunal has established the quantum of the account for future assessment. The table shall also be used for particular purposes such as the calculation of additional entitlements for Recognised Office Holders.

1 July 2014 to 27 March 2015 (inclusive)

Electorate Group or Zone	Transport	Communication – Electronic	Communication – Non Electronic	Printing and Stationery, Office Supplies & Services	Total Logistic Support Allocation
Legislative Assembly					
Group 1	\$5,535	\$4,840	\$16,295	\$8,800	\$35,470
Group 2	\$8,315	\$6,285	\$16,295	\$8,800	\$39,695
Group 3	\$11,080	\$6,285	\$16,295	\$8,800	\$42,460
Group 4	\$11,080	\$6,285	\$16,295	\$8,800	\$42,460
Group 5	\$11,080	\$6,285	\$16,295	\$8,800	\$42,460
Group 6	\$13,845	\$6,285	\$16,295	\$8,800	\$45,225
Group 7	\$13,845	\$6,285	\$16,295	\$8,800	\$45,225
Legislative Council					
Zone 1 Electorates	\$5,535	\$5,570	\$4,150	\$8,800	\$24,055
Zone 2 Electorates	\$5,535	\$6,285	\$4,150	\$8,800	\$24,770
Zone 3 Electorates	\$13,845	\$9,910	\$4,150	\$8,800	\$36,705

28 March 2015 to 30 June 2015 (inclusive)

Electorate Group or Zone	Transport	Communication – Electronic	Communication – Non Electronic	Printing and Stationery, Office Supplies & Services	Total Logistic Support Allocation
Legislative Assembly					
Group 1	\$5,535	\$4,840	\$16,295	\$8,800	\$35,470
Group 2	\$8,315	\$6,285	\$16,295	\$8,800	\$39,695
Group 3	\$11,125	\$6,285	\$16,295	\$8,800	\$42,505
Group 4	\$11,125	\$6,285	\$16,295	\$8,800	\$42,505
Group 5	\$11,125	\$6,285	\$16,295	\$8,800	\$42,505
Group 6	\$13,900	\$6,285	\$16,295	\$8,800	\$45,280
Group 7	\$13,900	\$6,285	\$16,295	\$8,800	\$45,280
Group 8	\$22,155	\$7,730	\$16,295	\$8,800	\$54,980
Legislative Council					
Zone 1 Electorates	\$5,535	\$5,570	\$4,150	\$8,800	\$24,055
Zone 2 Electorates	\$5,535	\$6,285	\$4,150	\$8,800	\$24,770
Zone 3 Electorates	\$13,845	\$9,910	\$4,150	\$8,800	\$36,705

The amounts indicated for each category are a guide only and a Member may expend more or less than the nominated amount in a particular category, provided the total LSA budget is not exceeded in a financial year.

As part of its 2009 annual review, the Tribunal considered the use of the LSA by Members wishing to purchase promotional products (key rings, magnets, etc) for constituents. The Tribunal determined that such items should not be funded from the LSA⁶. The Tribunal further clarified this matter by ruling that calendars should also be considered promotional material.⁷

4.3.4 Provision of the LSA

At the commencement of the four-year Parliament, each Member is provided with a LSA budget, as determined by the Tribunal. Where a Parliament commences part way through a financial year, the allocation is reduced on a pro rata basis for the remainder of the financial year.

For the duration of the Parliament, Members receive a new allocation at the beginning of each financial year.

⁶ Report and Determination of the Parliamentary Remuneration Tribunal dated 29 May 2009, page 7

⁷ Ruling of the Parliamentary Remuneration Tribunal dated 26 November 2009

Any funds that are not expended at the end of the financial year are rolled over into the following year within the four-year parliamentary term.

At the commencement of the last financial year within a Parliament, Members receive a pro rata allocation up until the date of the election. Any funds remaining in a Member's allocation at the conclusion of the Parliament are forfeited.

4.3.5 Claiming Expenses and Accounting Arrangements

Members claiming an expense from the LSA must complete the appropriate claim form. There are two:

- LSA 1 General Expenses Claim Form (to be used for all LSA claim types except for accommodation and meals, sustenance allowance, private and rental vehicles allowance and airfare costs)
- LSA 2 Accommodation and Meals Claim Form

The Member must personally authorise and sign for the expenditure and cannot delegate this authority to any person. Claims for expenditure incurred by an approved relative or staff Member must also be co-signed by the person incurring the expenditure.

Members may be reimbursed costs that have been expended or elect to have payment made directly to the service provider where credit facilities have been established.

Where there is unavoidable intermingling of private and public resources and accounts are apportioned accordingly, Members are strongly urged to pay the total account and seek reimbursement for the appropriate portion. This avoids unnecessary administration and confusion with outstanding part balances on accounts.

The Member must submit the claim to Members' Entitlements within 60 days of receipt or occurrence of the expense.

The Member must attach a [valid tax invoice](#) that meets all of the following requirements:

- it is issued by the supplier
- it contains enough information to enable the following to be clearly identified
 - the supplier's identity and ABN
 - a brief description of what is sold, including the quantity (if applicable) and the price of what is sold
 - the extent to which each sale is a taxable sale – this can be shown separately or, if the GST to be paid is exactly one-eleventh of the total price, as a statement such as 'total price includes GST'
 - the date the document is issued
 - the amount of GST (if any) payable for each sale
 - that the document was intended to be a tax invoice

If the total cost is \$1,000 or more, the recipient's identity (the name of the Member – not NSW Parliament or a Political Party) or ABN must be clearly identified.

To claim purchases costing \$82.50 or less (including GST) documents, such as cash register dockets, receipts or invoices, must be provided to support the claim.

Where payment is to be made to the service provider, sufficient information (including the supplier's name, ABN, address and, preferably, email and EFT payment details) is to be provided to the Financial Services Branch to enable payment.

Members are required to retain a copy of the invoice and claim form for their records and for audit purposes.

Purchases must comply with the Parliament's Asset Policy. In particular, the Member should be aware that assets (items valued at \$300 or over) are registered on the Parliament's Custody Asset Register. Prior approval for the purchase of assets must be obtained from the Manager, Members' Entitlements.

The date of supply of the goods and services determine the accounting period in which the transaction is recorded.

Cash advances cannot be provided to Members. Borrowing against future annual allocations or from other Members' accounts is prohibited.

4.3.6 Managing the Allocation

It is the responsibility of Members to manage their expenditure and ensure that the annual allocation is not overspent.

Members are provided with individual spreadsheets that enable them to track their expenditure. Members, and their staff, are responsible for ensuring spreadsheets are up to date and relevant. If used properly, the spreadsheets should inform Members they have sufficient funds for any proposed expenditure.

Members' Entitlements issues a report each month (usually with 6 working days of the month end) advising Members of their entitlements balances. The report includes the allocated yearly budget, expenditure for the current month, year to date expenditure and remaining funds available. Members should use the monthly reports to reconcile information on their spreadsheets. Any discrepancies should be raised with Members' Entitlements staff.

Should a Member's allocation fall below \$10,000, Members' Entitlements notify the Member accordingly. There is no provision for over expenditure and Members are personally liable once their allocation is fully expended.

4.3.7 Particular Conditions pertaining to use of the LSA

The Tribunal has determined particular conditions relating to the four LSA categories, being:

- Transport
- Communication - electronic
- Communication – non electronic and
- Printing, Stationery, Office Supplies and Services.

Transport (Other than Electorate or Electorate to Sydney Transport)

Members may use the LSA to travel within Australia in undertaking their parliamentary duties. Members should note, however, that there are separate entitlements for Electorate to Sydney travel (country based Members), committee travel and ministerial travel.

The 2014 PRT Determination specifies the following particular conditions pertaining to the use of the LSA for Transport:

- 1.1 A Member may use any form of transport within Australia subject to the requirement that the transport was used for parliamentary or electorate duties and that the cost was reasonable.
- 1.2 A Member may travel to any place in Australia, subject to the requirement that all such travel must be for parliamentary duties and that there must be, at the time of the making of the relevant reservation, sufficient funds in that Member's Account to pay for the expenses involved.

NOTE: *The Tribunal has issued a ruling that Members of the Legislative Assembly who reside in and represent metropolitan (Group 1) electorates may not claim transport costs from their LSA for travel to and from their private residence, electorate office or electorates generally and Parliament House on sitting days.*

- 1.3 All travel costs associated with approved relative or Members' staff travel (excluding travel costs associated with staff training) are to be provided from the Logistic Support Allocation Account. Staff training costs are to be met by the Legislature.

NOTE: *The Tribunal has issued a ruling that the cost of travel undertaken within the Member's electorate, whether travel undertaken by the Member, staff of the Member or the Member's approved relative, should not be funded from the LSA. This interpretation is consistent with the Tribunal's ruling of 4 June 2007.⁸*

- 1.4 Members and their approved relatives, when travelling in connection with the Member's parliamentary duties, may claim reasonable actual accommodation and meal expenses from the Member's Logistic Support Allocation. The reimbursement of these expenses may not exceed the travel allowance rates as determined in the following table:

Destinations		Where no overnight stay is required
Darwin	\$414.20	Actual reasonable meal expenses
Perth	\$400.20	
Melbourne	\$373.20	
Brisbane	\$396.20	
Canberra	\$368.20	
Adelaide	\$353.20	
Hobart	\$321.20	
Other areas	\$253.00	

Following the release of the Members' Staff Conditions of Employment – Determination of the Presiding Officers effective 24 February 2014, staff employed by the Parliament who travel with their Member or separately for parliamentary business

⁸ The ruling dated 4 June 2007 states the Electoral Allowance has been provided to allow Members to meet the costs of servicing their electorates. The ruling goes on to say that while the Electoral Allowance may be used to supplement LSA expenditure, there is no provision to permit the LSA to be used to meet costs that should be met from the Electoral Allowance. The Transport component of the LSA, as its title states, is for "Transport (Other than Electorate or Electorate to Sydney transport)".

purposes may only claim reasonable actual accommodation and meal expenses. The amount payable will be in accordance with the meal and travel allowance rates determined by the Australian Tax Office for each financial year. Motor vehicle expenses will be paid at 40% of the official business rate.

- 1.5 A Member and approved relative may travel together or separately in connection with attendance at a function in the course of parliamentary duties.
- 1.6 A Member and approved relative and staff employed by the Parliament may use taxis or hire cars for parliamentary duties.
- 1.7 A Member's air transport booking for parliamentary duties and that of their spouse/approved relative and staff are to be made by the Member with an appropriate transport provider.
- 1.8 Members should ensure that records are maintained that clearly document the occasions that staff employed by the Parliament stay in Sydney or other locations when travelling in connection with the Member's parliamentary duties. Such documentation including airline boarding passes, if applicable, is to be retained for subsequent review by internal and external auditors if required.
- 1.9 A Member may use charter transport in connection with parliamentary duties, but only within the limits of the Member's individual Logistic Support Allocation. No passenger, except the Member's approved relative and staff employed by the Parliament accompanying the Member on parliamentary duties, may be carried at the cost of the Member's Logistic Support Allocation entitlement. Where more than one Member is travelling on the air charter, the total air charter costs should be shared equally between the Members travelling.
- 1.10 It is a condition of all transport air charters that the Member responsible for organising the charter obtain a passenger manifest from the charter operator and attach it to the invoice when it is submitted for payment to the Legislature.
- 1.11 Members together with their approved relative will need to maintain records or other relevant evidence that clearly document the occasions they travelled in connection with their parliamentary duties. A copy of this documentation, including airline boarding passes if travelling by commercial air flights is to be retained for subsequent review by internal or external auditors if required.

Transport and travel is categorised into the following:

- Intrastate travel: includes any costs incurred within NSW, including Coolangatta and Canberra. Transport costs incurred by LA Members within their own electorates are not payable from the LSA. Members are required to utilise their electoral allowance for this purpose
- Interstate travel: includes any costs incurred when travelling to another state or territory within Australia, excluding Norfolk Island. Costs incurred outside Australia are not payable from the LSA
- Electorate/Home to Sydney travel for approved relative and staff only (not the Member) – for trips taken from any point in the LA Member's electorate or from the LC Member's principal place of residence or nominated local airport direct to or from Sydney.

Members, staff and approved relatives may not use the LSA for car parking expenses unless the expense is in association with accommodation (as part of the same hotel bill and out of the electorate) and at airports in association with air travel.

Procedures relating to claiming transport

Members must complete the applicable claim form, which could include one or more of the following:

- [LSA 1](#) General Expenses Claim Form (taxi, rail and /or airport link fares)
- [LSA 2](#) Accommodation and Meals Claim Form (sustenance / travel allowance)
- [Travel 1](#) - Air Travel Claim Form
- [Travel 2](#) – Private or Rental Vehicle Claim Form

The original tax invoice must be attached to the claim as applicable and as indicated on the relevant claim form. The Member is required to retain a copy along with all supporting documentation for audit purposes. Supporting documentation that substantiates the purpose of the travel could include an invitation, minutes or agenda of a meeting or paperwork confirming an appointment.

Communication (Electronic)

This category of LSA relates to home telephone, home facsimile and home Internet call charges for official business together with mobile telephone calls.

The 2014 PRT Determination specifies the following particular conditions relating to Communication - Electronic:

- 2.1 The Tribunal accepts that there will be some private usage in connection with mobile telephones supplied by the Parliament and electronic communication equipment installed at public expense in a Member's principal place of residence. To ensure the Legislature does not pay Fringe Benefits Tax for the private usage of electronic equipment, the Financial Controller will undertake a survey over an appropriate period of time to ascertain public/private percentage use of Members' home telecommunication services. Once established, Members will be reimbursed the parliamentary business cost of each home telecommunication call or usage account and an adjustment shall be made to previous accounts reimbursed from the effective date of the Determination, on or from the date of election, whichever is the later.

NOTE: *The Tribunal has issued a ruling that Members who do not wish to undertake a survey to establish public and private use may only be reimbursed rental and not call costs.*

- 2.2 Members may utilise any telecommunication services or network features with the exception of overseas calls, charge information/service calls, reverse charge calls, home-link calls and Telecard calls.
- 2.3 The following Recognised Office Holders shall be entitled to 100 per cent reimbursement for electronic-communication costs.
 - Ministers
 - Presiding Officers
 - Leader of the Opposition (Assembly and Council)
 - Leader of a Party not less than 10 Members in the Legislative Assembly
 - Deputy Speaker
 - Deputy President and Chair of Committees, Legislative Council
 - Assistant Speaker, Legislative Assembly
 - Deputy Leader of the Opposition (Assembly and Council)
 - Deputy Leader of a Party not less than 10 Members in the Legislative Assembly

- Parliamentary Secretaries (Assembly and Council)
 - Government and Opposition Whips (Assembly and Council)
 - Whip of a third party with not less than 10 Members (Legislative Assembly)
 - Deputy Whips (Legislative Assembly)
- 2.4 Call charges pertaining to a data line installed at Legislative Council Members' home offices be reimbursed at the rate of 100% where Members do not have a broadband service connected, subject to the line being used for parliamentary duties.
- 2.5 Members will be required to meet the cost of all overseas calls, other charged information/services calls, reverse charge calls, and home-link and Telecard calls.
- 2.6 Members are to meet the cost of their portable communication equipment and the associated operating costs from the LSA. The purchase of such items is to be in accordance with the Parliament's procurement policies and administrative guidelines.

Members have the flexibility to access the most up to date and suitable equipment in performing their parliamentary duties including laptops, mobile phones and iPads.

Members claiming website hosting, maintenance and/or development costs from the LSA are reminded to monitor the content of the site, to ensure it complies with the guidelines contained in the Annual Website Certification Declaration.

Before any LSA payments are considered, Members will be required to complete and submit their Annual Website Certification Declaration.

Procedures for claiming electronic communications

Members may use any telecommunication provider for their home telephone, fax and internet services. Any contracts or plans entered into for the provision of these services are to be in the Member's name and not that of the Parliament.

At the end of each Fringe Benefits Tax (FBT) year (31 March), the Financial Services Branch will request Members confirm their current parliamentary business use percentage or undertake a new survey over an appropriate period of time to ascertain public/private percentage use of Members' home telecommunication services, the purpose of which is to calculate FBT Liability and the percentage that a Member may be reimbursed.

Members will be reimbursed a maximum of 90 per cent of home electronic communication costs pending the undertaking of a survey and completing a FBT Expense Payment Declaration so Parliament can comply with ATO regulations and PRT Determination conditions. These PRT conditions stipulate that Members may only be reimbursed for the nominated parliamentary business use percentage on their private services.

Once the declaration has been completed within the nominated time period, a retrospective adjustment shall be made to adjust the amount previously advanced to the correct parliamentary business percentage use. This requirement is for home telephone and facsimile call charges and Internet usage costs. It is not applicable to mobile phone, electorate office and Parliament House services.

Members must complete an FBT declaration for all new home telephone communication services including when relocating to a different principal residence. The Financial Services Branch manages the completion of the annual FBT declaration.

The FBT percentage is only applicable to eligible call charges. Members may seek payment/reimbursement from the LSA for 100% of costs associated with service and equipment rental for the nominated telecommunication services.

Members who are Recognised Office Holders are reimbursed 100% of eligible call costs regardless of their nominated business use percentage declared in the FBT Expense Payment Declaration.

Members are required to complete the [LSA 1](#) – General Expenses Claim Form.

Members can choose to pay the account in full and seek reimbursement from the Parliament for the appropriate proportion. Alternatively, Members can request payment to be made direct to the telecommunications provider. Under this option, the Parliament pays the service provider the Member's entitlement then notifies the Member of the remaining amount they have to pay the service provider direct.

Communication (Non-Electronic)

A component of the LSA is allocated to cover the cost of Members' non-electronic communication including postage charges or other mail distribution and delivery services.

Legislative Assembly Members must note, however, that postage charges relating to an electorate mail out should be claimed from the Electorate Communication Allowance provided sufficient funding is available.

The 2014 PRT Determination specifies that 'Members are permitted to purchase postage stamps or other mail distribution and delivery services to enable them to undertake their parliamentary duties'.

Procedures relating to claiming non-electronic communication

Members can pay the account and then seek reimbursement or elect to have the Parliament pay the provider directly. Either option can be exercised using the [LSA 1](#) – General Expenses Claim Form.

The original tax invoice must be attached and the Member must retain a copy for audit purposes.

Printing, Stationery, Office Supplies and Services

While this component of the LSA is allocated to cover the costs of printing, stationery and office supplies, there are, however, certain exclusions regarding the use of the LSA for this category. This includes the printing of promotional material such as fridge magnets, notepads, shopping lists, key rings, pens, bowling scorecards and calendars. (Note that this is not an exhaustive list).

The 2014 PRT Determination details the following particular conditions for this category:

- 4.1 Members may only use the printing, stationery, office supplies and services entitlement for parliamentary duties.
- 4.2 The entitlement may be used to purchase printing, stationery, office supplies and services from the Parliament or other providers in accordance with parliamentary procurement policies and practices.

- 4.3 A Member may not use their printing, stationery, office supplies and services allowance to procure goods and services to be used for direct electioneering purposes or political campaigning.
- 4.4 The purchase of computer software from the Logistic Support Allocation is subject to the following conditions:
- The software will not be supported by the Parliament's IT Services
 - The software is required to be removed from the computers supplied by the Parliament if there is any conflict with the Parliament's computer network
 - The software is not to be used for political campaigning or electioneering purposes.
- 4.5 Members may use the entitlement to engage a suitably qualified independent professional to manage their financial record keeping to monitor their use of their additional entitlements in the form of fixed allocations to ensure they do not exceed their entitlements. These services are not to be used for any other purposes including the preparation of the Member's tax return.

Procedures relating to claiming

Members can pay the account and then seek reimbursement or elect to have the Parliament pay the provider directly. Either option can be exercised using the [LSA 1](#) – General Expenses Claim Form.

The original tax invoice must be attached and the Member must retain a copy for audit purposes.

Parliamentary procurement policies and practices

The PRT Determination specifies that use of the LSA entitlement to purchase printing and stationery items are to be in accordance with parliamentary procurement policies and practices.

Members may seek an appraisal of their publication material from Members' Entitlements. Members may supply a proof copy of the publication to Members' Entitlements prior to printing, to confirm that the content complies with the guidelines. All requests should be forwarded to Members' Entitlements at DPS.MembersEntitlements@parliament.nsw.gov.au

The Member will receive a written assessment from Members' Entitlements expressing an opinion as to whether or not the content is consistent with the provisions of the PRT and guidelines determined by the Department of Parliamentary Services (DPS).

Members may requisition stationery and printing through the Facilities Branch Procurement office or Printing Services and have the cost debited against their LSA. The amount debited to the LSA excludes GST. Alternatively, Members may personally arrange for the supply of stationery or printing work from a private company.

This arrangement is subject to:

- The Member having sufficient LSA funds available
- Rates being considered reasonable and consistent with normal market rates for items of a like nature.

For individual purchases exceeding \$30,000 in value, three written quotations are required to be forwarded to the Manager, Members' Entitlements for approval prior to any purchases or commitments being made.

If the Member purchases directly from the supplier or printer and effects payment personally, a request for reimbursement can then be made (subject to sufficient LSA funds being available) to Members' Entitlements. An original tax invoice and a copy of the publication must accompany the claim form.

The Member should retain a copy of the printed item along with a copy of the invoice, for audit purposes.

For specific stationery items to be ordered through the Parliament's Procurement Office or for printing work undertaken in-house the Member must complete and sign a written requisition signed by the Member and forward it to the Procurement office or to Printing Services.

Subject to the Member having sufficient credit available in their LSA and the proposed purchase or printing work complying with the PRT and the Parliament's Guidelines, an official order will be issued in the Parliament's name. Payment will then be made direct to the supplier on receipt of advice that the goods or services have been satisfactorily supplied to the Member concerned.

Members are advised that courier or freight charges for items required to be delivered to electorate or home offices from Parliament House or direct from suppliers are to be met from the LSA.

4.4 TRAVELLING ALLOWANCE FOR RECOGNISED OFFICE HOLDERS

The PRT Determination provides a travelling allowance entitlement for Recognised Office Holders for travel expenses incurred in relation to the Office they hold, provided they are not funded from another budget (eg Ministerial, Leader of the Opposition's vote). Travel expenses that may be claimed against the entitlement include accommodation, meal and incidental expenses.

The 2014 Determination sets the following conditions for this entitlement.

1. Recognised Office Holders are to be reimbursed travelling expenses when travel is undertaken in association with their role as a Recognised Office Holder only. These allowances will not apply when a Member travels on parliamentary business in their own capacity.
2. Recognised Office Holders are eligible to claim reasonable actual travelling expenses for overnight absences from Sydney or their electorate/principal home residence. Where no overnight absence is involved, reasonable actual meal expenses may be claimed. Indicative upper limits for travel expenditure are outlined in Table 2. [see table below]
3. The payment of actual travelling expenses will be paid subject to the production of tax invoices/receipts relating to accommodation, meal and other incidental expenses by the Recognised Office Holder concerned.
4. A Recognised Office Holder whose approved relative accompanies him or her to a State or other official function and who consequently incurs expenses in respect of meals and accommodation exceeding the allowance to which he or she is entitled, shall be entitled to be reimbursed the additional expenses associated with the approved relative.
5. Those Recognised Office Holders for whom non-parliamentary funded budgets are provided are to meet travel allowance costs from those budgets and not from the Parliament.

Entitlement

The indicative upper limits for travel expenditure as specified in the 2014 PRT Determination are outlined in the table below.

Office Holders	Destinations		Where no overnight stay is required
Group 1			
Premier	Darwin	\$450.70	Actual reasonable meal expenses
Deputy Premier	Perth	\$492.70	
Senior and Other Ministers	Melbourne	\$431.70	
	Brisbane	\$418.70	
President of the Legislative Council and Speaker of the Legislative Assembly	Canberra	\$412.70	
	Adelaide	\$375.70	
Chairman of Select, Joint Standing, Standing and Public Accounts Committees	Hobart	\$361.70	
	Other areas	\$356.70	
Leader of the Opposition in the Legislative Assembly and Legislative Council			
Deputy Leader of the Opposition in the Legislative Assembly			
Deputy Speaker in the Legislative Assembly			
Deputy President and Chair of Committees in the Legislative Council			
Assistant Speaker Legislative Assembly			
Assistant President Legislative Council			
Parliamentary Secretary (Leader of the House) Legislative Assembly			
Deputy Leader of the Opposition in the Legislative Council			
Group 2			
Deputy Leader in the Legislative Council (other than the Leader or Deputy Leader of the Opposition) of a recognised political party not fewer than 9 Members of which are Members of the Legislative Council and of which no Member is a Minister	Darwin	\$414.20	Actual reasonable meal expenses
	Perth	\$400.20	
	Melbourne	\$373.20	
	Brisbane	\$396.20	
	Canberra	\$368.20	
	Adelaide	\$353.20	
Members of which are Members of the Legislative Council and of which no Member is a Minister	Hobart	\$321.20	
	Other areas	\$253.00	
Leader and Deputy Leader of a Recognised Political Party of which not less than ten Members are Members of the Legislative Assembly			
Government and Opposition Whips			
Deputy Government and Deputy Opposition Whips			
Parliamentary Secretary			

Whip in the Legislative Assembly of a recognised political party, not fewer than 10 Members of whom are Members of the Legislative Assembly		
Deputy Whip in the Legislative Assembly of a recognised political party, not fewer than 40 Members of which are Members of the Legislative Assembly		
Members of Select, Joint Standing, Standing and Public Accounts Committees		

Multiple Office Holders

The Parliamentary Remuneration Tribunal has advised that Recognised Office Holders who hold more than one 'office' may only make one claim per incidence of travel, which is related to the primary purpose for which the travel is undertaken.

Other Funding Arrangements

Travelling expenses incurred by Ministers, Parliamentary Secretaries, the Leader and Deputy Leader of the Opposition and Leader and Deputy Leader of a recognised political party are to be met from the Ministerial budget or Leader of the Opposition's vote.⁹

Claiming the entitlement

Recognised Office Holders wishing to claim additional travel expenses must complete the TRAVEL 3 – Travel Allowance for Recognised Office Holders claim form and submit it to Members' Entitlements along with the original tax invoice.

The Member should retain a copy of the tax invoice and any documentation relating to the claim and reason for the travel for audit purposes when required.

4.5 USE OF PRIVATE VEHICLES FOR PARLIAMENTARY DUTIES

4.5.1 Car insurance

A Member is required to have the following insurance arrangements in place prior to using their own vehicle for parliamentary duties:

- any motor vehicle must be covered by a third party policy as required by the *Motor Vehicles (Third Party Insurance) Act 1942*.
- the vehicle must be comprehensively insured providing insurance or indemnity against:
 - liability of the Crown to pay for loss or damage to property arising out of the use of the Members'/approved relative's/staffs' motor vehicle
 - liability of the Crown to pay for loss or damage to the vehicle
- in the event of an accident the Member/approved relative/staff owning or leasing the vehicle shall be responsible for the payment of any excess.

⁹ Ministers' Office Administration Handbook, Ministerial and Parliamentary Services, Department of Premier and Cabinet, June 2014

Members or other claimants are also advised to check with their insurance provider to ensure that their current insurance policy provides for partial business use of the vehicle.

4.5.2 Reimbursement for vehicle use

Costs incurred for travel undertaken in a private vehicle are reimbursed at the public sector kilometre rate, formulated to compensate for petrol costs, vehicle maintenance and depreciation.

The current rates are as follows:

Engine Capacity	Cents per Kilometre (Business Rate)
2601cc and over	77.0
1601cc – 2600cc	76.0
1600cc or less	65.0

Members utilising a third party vehicle apart from that of their spouse / partner are reimbursed at the casual rate (40% of the official business rate) as follows:

Engine Capacity	Cents per Kilometre (Casual Rate)
2601cc and over	30.8
1601cc – 2600cc	30.4
1600cc or less	26.0

Where one or more Members travel together, the costs associated with the travel need to be apportioned between them. Members need to break down the cost of the trip, specifying the kilometres travelled alone versus shared travel.

Legislative Assembly Members are not entitled to claim a kilometre allowance for use of their vehicle or rental car within their electorate as the electoral allowance has been provided for this purpose.

Members representing electorate zones 5-7 may claim the cost of a rental car from their Charter Transport Allowance.

Reimbursement is made to Members through the payroll at the end of each month, provided claims are received by the 15th day of the month. No tax is withheld from the payment.

For audit purposes, Members must retain a copy of the registration papers of any private vehicle(s) used for which claims have been made. This is required as Members may need to verify the engine capacity of their vehicle(s). Whilst not compulsory, Members are strongly encouraged to submit copies of their registration papers to Members' Entitlements. Papers only need to be sent once for each vehicle as a record of registrations is kept.

4.6 COMMERCIAL AIR TRAVEL

The Tribunal states that, 'a Member's air transport bookings for parliamentary duties and that of their spouse/approved relative and staff are to be made with an appropriate transport provider.'

A corporate charge account has been established with the current NSW Government travel contract holder, Carlson Wagonlit Travel (CWT). Should a Member wish to book parliamentary travel on this corporate account they should contact Members' Entitlements to ascertain the account number and booking procedure.

Alternatively, Members may book directly with airlines or other travel providers and then seek reimbursement from the Parliament on production of a claim form and tax invoice.

Members must maintain records and related evidence that clearly documents the occasions they travelled in connection with their parliamentary duties. A copy of this documentation, including airline boarding passes, if travelling by commercial aircraft, is to be retained for subsequent review by internal and external auditors if required. This documentation must also be retained for any staff member or approved relative who has incurred travel expenses in connection with the Member's parliamentary duties.

When a travel booking is cancelled, Members or their staff are required to contact CWT, their travel agent or the relevant on-line service provider with whom the original booking was made to request a refund, if a refund is available. If the travel is cancelled or not taken, the cost cannot be credited to the Member's LSA until the refund is processed by CWT or travel booking provider and received by the Financial Services Branch. If a non-refundable booking is made and paid in advance and the travel does not occur, Members will be required to personally meet the costs of such travel.

4.7 ACCESS TO TRAVEL BY APPROVED RELATIVES

An 'approved relative' is a person who meets one of the following criteria:

- Wife or husband of the Member
- A person living in a domestic relationship as defined in the *Property Partner (Relationships) Act 1984*
- Single or widowed Members may nominate a member of the immediate family (parents, siblings, children who are not minors i.e. below 16 years of age) as an approved relative.

Under special circumstances a Member may apply through the Presiding Officers to the Tribunal for an exception to the criteria. Such an application needs to address the ability of the Member to meet their parliamentary duties and individual circumstances at the time.

A Member and his or her approved relative may travel together or separately in connection with attendance at a function in the course of parliamentary duties.

Chapter 5: Additional Entitlements for non-metropolitan Members

Members of the Legislative Assembly and Members of the Legislative Council whose principal place of residence is either a minimum distance of 70kms by road from Parliament House or the Member resides in an electorate categorised as outer non-metropolitan are entitled to additional entitlements to compensate for the costs of attending in Sydney when performing their parliamentary duties.

The Tribunal recognises two classes of entitlement in this category:

- *The Sydney Allowance*
- *Electorate to Sydney Travel*

Together, these two entitlements provide non-metropolitan Members with travel to and from Sydney and the means to stay in Sydney.

5.1 PRINCIPAL PLACE OF RESIDENCE

The Parliamentary Remuneration Tribunal considers the Member's principal place of residence to be that residence where the Member would normally return and reside when not attending Sydney on parliamentary duties.

Generally, it will be a simple matter for Members to determine their principal place of residence. However, there will be Members who have more than one residence, including a residence in Sydney and a residence in a non-metropolitan area. These Members may spend substantial periods of time in Sydney as a result of parliamentary duties.

The Department of Parliamentary Services has developed guidelines to assist Members in determining where their principal place of residence is. These guidelines '[Sydney Allowance Administrative Guidelines – Determining Principal Place of Residence](#)' are available on the Parliament's intranet site and are distributed to non-metropolitan Members annually with their Sydney Allowance election form. In summary, the guidelines pose the following questions to a Member:

- Does your family reside in the property?
- Do you usually return to the property when not required in Sydney on parliamentary business?
- Is this the property you stay at most on a regular basis?
- Is your mail (i.e. phone bills, personal mail, general household bills etc) usually directed to this residence?
- Is this the property at which you keep the majority of your personal possessions?
- Is this the address shown on your driver's licence?
- For Legislative Council Members – are you a recognised active Member of the local community?
- If you own the property, is it exempt from capital gains tax?
- Is the property a holiday home or a place you use to 'get away from it all'?

Members whose principal place of residence is either a minimum distance of 70kms by road from Parliament House or the Member resides in an electorate categorised as outer non-metropolitan must provide evidence that they are on the electoral roll at this residence.

Members must also provide a copy of their driver's licence or home telephone account showing the address of their nominated principal place of residence. Other forms of evidence can also be provided such as a rental agreement, electricity account or council rate notice.

A Member's principal place of residence could change over time due to an increasing parliamentary workload and/or changing family circumstances. The Member is responsible for acknowledging and acting on any change in circumstance by bringing it to the attention of the Manager, Members' Entitlements to enable entitlements to be adjusted.

5.2 SYDNEY ALLOWANCE

In its 2014 Determination, the Tribunal has resolved that:

The Sydney Allowance is provided to Members who reside in non-metropolitan electorates to compensate for the additional costs including commercial accommodation, meals and incidental costs associated with staying in Sydney to attend sessions of Parliament, meetings of parliamentary committees or other parliamentary business.

Members whose principal place of residence is either a minimum distance of 70 kms by road from Parliament House or the Member resides in an electorate categorised as outer non-metropolitan, as specified in Schedule 2 or Schedule 2AA, are eligible to receive the Sydney Allowance.

Schedule 2 - 1 July 2014 to 27 March 2015 (inclusive)

Outer non-metropolitan electorates		
1. Albury	11. Goulburn	21. Port Macquarie
2. Ballina	12. Lismore	22. Port Stephens
3. Barwon	13. Maitland	23. South Coast
4. Bathurst	14. Monaro	24. Tamworth
5. Burrinjuck	15. Murray-Darling	25. Tweed
6. Bega	16. Murrumbidgee	26. Upper Hunter
7. Cessnock	17. Myall Lakes	27. Wagga Wagga
8. Clarence	18. Northern Tablelands	
9. Coffs Harbour	19. Orange	
10. Dubbo	20. Oxley	

Schedule 2AA - 28 March 2015 to 30 June 2015 (inclusive)

Outer non-metropolitan electorates		
1. Albury	11. Goulburn	21. Port Stephens
2. Ballina	12. Lismore	22. South Coast
3. Barwon	13. Maitland	23. Tamworth
4. Bathurst	14. Monaro	24. Tweed

5. Bega 6. Cessnock 7. Clarence 8. Coffs Harbour 9. Cootamundra 10. Dubbo	15. Murray 16. Myall Lakes 17. Northern Tablelands 18. Orange 19. Oxley 20. Port Macquarie	25. Upper Hunter 26. Wagga Wagga
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The Determination specifies that Members must complete the Parliament's checklist [SA-001 Sydney Allowance Election Form and Guidelines] to establish their principal place of residence and certify the residence nominated as the principal place of residence.

The checklist and certification form part of the 'Sydney Allowance Election Form SA-001'. The questions on the checklist correspond to the guidelines established by the Department of Parliamentary Services, discussed above under 'Principal Place of Residence'.

5.2.1 ENTITLEMENT

The daily rates and the number of overnight stays for the Sydney Allowance are specified each year in the annual PRT Determination. The 2014 Determination specifies the following:

Office	Principal Place of Residence	Overnight Stays p.a.	Overnight in Sydney where accommodation costs are incurred	In transit to and from Sydney where no overnight stay is involved
Minister, Speaker, President, Leader and Deputy Leader of the Opposition (Assembly and Council), Leader of Third Party in Assembly with not less than 10 Members.	A minimum distance by road of 70 kms from Parliament House or the Member resides in an outer non-metropolitan electorate	180	\$278	Actual reasonable expenses for meals and incidentals up to a maximum of \$99.95 per day
Deputy Speaker, Legislative Assembly, Deputy President and Chair of Committees (Legislative Council), Whip and Deputy Whip (Assembly and Council), Parliamentary Secretary, Assistant Speaker Legislative Assembly, Assistant President Legislative Council, Deputy Leader of Third Party in Assembly with not less	A minimum distance by road of 70 kms from Parliament House or the Member resides in an outer non-metropolitan electorate	140	\$278	As above

than 10 Members.				
Chairs of Standing/Select Committees	A minimum distance by road of 70 kms from Parliament House or the Member resides in an outer non-metropolitan electorate	140	\$278	As above
Legislative Council Members	Outer non-metropolitan electorate	135	\$278	As above
	Minimum distance of 70 kms by road from Parliament House	105	\$278	As above
Legislative Assembly Members	Outer non-metropolitan electorate	135	\$278	As above
	Minimum distance of 70 kms by road from Parliament House	105	\$278	As above

A Member electing to be paid the daily rate will be entitled to the daily rate for the number of overnight stays specified in the above table, unless he/she exceeds the maximum number of overnight stays per annum, at which time actual costs up to the daily maximum may be reimbursed.

5.2.2 Conditions of Use

The 2014 PRT Determination attaches the following conditions to the Sydney Allowance entitlement:

1. A Member can choose to receive the Sydney Allowance as either an annual fixed allowance or a daily rate. The election is to be made at the commencement of each financial year.
2. If a Member chooses to receive the annual fixed allowance the Financial Services Branch will calculate the annual entitlement by multiplying the number of overnight stays for the particular Member or Recognised Office Holder by the daily rate.
3. In order to receive the Allowance each Member must certify to the Executive Manager, Department of Parliamentary Services their principal place of residence.
4. Where a Member chooses to receive the daily rate of allowance the Member shall receive the overnight daily rate as specified in the above table. The Member is entitled to the number of overnight stays per annum specified in the above table without the need to substantiate to the Parliament expenses up to the daily rate.

- 5 Where a Member chooses to receive the daily rate of allowance and the Member exceeds the number of overnight stays Members will be reimbursed actual costs, up to the daily maximum upon the production of tax invoices/receipts for each such occasion.
- 6 Members in receipt of the Sydney Allowance when travelling to Sydney for parliamentary business or home from Sydney and where there is no overnight stay required en-route will be entitled to reasonable actual expenses to the maximum provided in the "In transit...." Column of the above table. This rate is only applied when the Member is travelling to Sydney or travelling home from Sydney following an overnight stay. Members may not claim the in transit allowance if they have exceeded the allocated number of overnight stays applicable for receipt of the Sydney Allowance.
- 7 Members may not claim the in-transit entitlement in their hometown closest to their principal place of residence, at their nominated home airport or within a 70 kilometre radius of Parliament House for which Sydney Allowance payments are provided.
- 8 When in receipt of the annual allowance Members are required to certify at the end of the financial year the number of occasions they stayed in Sydney and that on each occasion the stay was for parliamentary business. Members who nominate to receive the annual allowance cannot claim for additional overnight stays in excess of those specified in the above table.
- 9 Members are required to maintain records or other relevant proof that clearly document the occasions they stayed in Sydney in connection with their parliamentary duties. Subject to the proviso below, Members attending Parliament House on parliamentary business when Parliament is not sitting are required to sign in and out of the Parliamentary Register as proof of being in Sydney. On those occasions where Members are in Sydney on parliamentary business but are not required to attend Parliament House e.g., attending a function, then the Member must provide sufficient proof to the Executive Manager to substantiate each such occasion. Provided, however, it will be sufficient for Members to provide entries from their diaries, or other forms of documentary proof, acceptable to the Executive Manager to certify as proof of their attendance in Sydney.
- 10 Members in receipt of the annual amount will be required to provide a reconciliation of their annual payments twice per year. The first reconciliation will be required by 31 January of each year for payments made in the previous period of 1 July to 31 December. A further reconciliation will be required by 31 July of each year for payments made in the subsequent six months. The first reconciliation is only to be used for the purpose of validating the number of nights claimed during the period. Any financial adjustments will be calculated in consideration of the total number of nights validated over the whole financial year. Where applicable, Members will return to Parliament any part of the annual amount that they have not substantiated by 30 September each year or 30 days of ceasing to be a Member.
- 11 Members who do not reimburse outstanding amounts by 30 September each year are to have their annual entitlement suspended and are to revert to the daily rate of Sydney Allowance until the reimbursement is made.
- 12 Members are not to claim the Sydney Allowance if they stay in Government owned or funded accommodation including Parliament House.
- 13 In determining eligibility Members will need to nominate their principal place of residence immediately following their election to Parliament. Members are not to relocate during the parliamentary term for the purposes of meeting the eligibility criteria.

5.2.3 Payment Options

As specified under PRT Condition 1, a Member can choose to receive the Sydney Allowance as an annual allowance paid monthly or alternatively, can claim the daily rate for each incidence of

use. This choice is declared on the [Sydney Allowance Election Form SA-001](#) at the commencement of each financial year.

Daily allowance

As specified in the PRT conditions above, the daily allowance allows the Member to claim on an ongoing basis throughout the year. Payment is provided to the Member for each overnight stay claimed, up to the maximum number of nights specified in the Table above. Members do not need to provide receipts or other proof of expenditure to receive the daily allowance. They do, however, need to provide evidence that they were in Sydney on parliamentary business. Members who exceed the maximum number of nights may be reimbursed actual costs up to the daily maximum, provided tax invoices and receipts are provided.

Annual allowance

Members electing to receive the annual allowance will receive a fixed monthly rate payable with the Member's salary. The Member can elect to have the full entitlement advanced or a partial amount advanced based on a specified number of nights, less than the full entitlement. The Member must submit a reconciliation form at the end of the financial year, certifying the number of nights they spent in Sydney on parliamentary business. Members that have not stayed the number of nights for which the allowance has been advanced must refund the residual amount to the Parliament by 30 September each year or within 30 days of ceasing to be a Member. For example:

A Member is eligible for 105 overnight stays per annum and receives an annual Sydney Allowance of \$29,190 (105 nights x \$278). The Member has only spent 50 nights in Sydney, or can only provide evidence that they spent 50 nights in Sydney. The Member will need to reimburse the Parliament for the unspent portion of the allowance (\$15,290, calculated as 55 nights x \$278) by 30 September of the ensuing financial year.

Members receiving the annual allowance cannot claim for additional overnight stays in excess of those specified in the above Table. However, Members who have nominated to receive an allowance based on a reduced number of nights may claim additional nights up to the maximum number specified in the above Table.

5.2.4 Claiming the Sydney Allowance

'Sydney Allowance Election Form – SA001'

Members wishing to claim the Sydney Allowance must complete the ['Sydney Allowance Election Form – SA001'](#).

The form requires the Member to certify their 'Principal Place of Residence' and that they are enrolled at that residence for electoral roll voting purposes. The Member is required to respond to several questions, designed to assist in the determination of whether the specified residence is the principal place of residence. The Member is also required to certify that they have read and understood all guidelines and conditions related to the payment of the Sydney Allowance.

The form allows the Member to elect the method of payment (annual or daily allowance).

The Member must include with the form:

- Evidence that they are on the electoral roll at the nominated address

- A copy of their driver's licence or home telephone account showing the address of the nominated principal place of residence (if the address has changed since completing the previous election form). Other forms of evidence that may be used include a rental agreement, electricity account or council rate notice.

The form will be distributed to Members for completion on an annual basis. Once the completed form is returned, Members' Entitlements will calculate the Members' annual entitlement (number of overnight stays) taking into account those Members who do not wish to be advanced their full overnight stay entitlement and advise Members in writing of this entitlement.

'Sydney Allowance – Overnight Stays in Sydney Only – SA-002'

This [form](#) is to be completed by Members who have elected to receive the daily allowance for each time they stay in Sydney for parliamentary business. The Member must provide documentary evidence to support the claim they were in Sydney. Where Members are in Sydney on non-sitting days, they must retain supporting documentation that it was for parliamentary purposes in the event of an audit.

Evidence must be provided for both the day of the stay and the following day.

'Reasonable Actual Expenses – In Transit/En-Route to and From Sydney which includes an Overnight Stay In Sydney – SA-003'

Members who are claiming the Sydney Allowance may also claim reasonable, actual, [in-transit expenses](#) for meals and incidentals up to a maximum of \$99.95 per day on the forward and return journey, where there is no overnight stay required en-route. The in-transit allowance cannot be claimed if the Member has exceeded the number of overnight stays applicable for their position.

The Member must attach original tax invoices/receipts to the claim form and certify that they have retained adequate documentation to support the claim.

'Reconciliation Form for Payment of an Annual Sydney Allowance – SA-004'

Members receiving the Sydney Allowance on an annual allowance basis will be required to complete this [form](#) at the end of the financial year. The Member must provide documentary evidence to support the claim they were in Sydney. Where Members are in Sydney on non-sitting days, they must retain supporting documentation that it was for parliamentary purposes in the event of an audit.

5.2.5 Substantiation

A Member does not need to substantiate they were in Sydney when the House is sitting, as attendance records are maintained by both Houses.

However, on those occasions that the Member is in Sydney on parliamentary business and the House is not sitting, evidence will need to be provided that

- a) they stayed in Sydney, and
- b) the stay was related to parliamentary duties (for audit purposes only)

Members are, therefore, required to maintain records or other relevant proof that clearly document the occasions they stayed in Sydney in connection with their parliamentary duties.

Members are advised to also maintain records that validate the parliamentary purpose of each stay for audit purposes.

If not attending Parliament House on the day or night of the overnight stay and the day immediately following, the Member can satisfactorily substantiate that they were in Sydney by providing, for example:

- Airline boarding passes for arrival and departure from Sydney (where applicable)
- Commercial accommodation receipts
- Receipt of purchase that has the location and is date stamped.
- Credit Card statement/voucher
- Mobile telephone account
- Road toll statement/receipt
- ATM receipt issued in Sydney
- Diary entries

The Member could substantiate that they were in Sydney for parliamentary duties by:

- Signing in and out of the Parliament House Register
- Providing invitations to function or meetings where the Member has not attended Parliament House but is in Sydney on parliamentary business
- Providing minutes of meetings that show that the Member was in attendance

The Parliament House Register

If attending at Parliament House, Members must sign the Parliament House Register (both arrival and departure) when they are in Sydney on parliamentary business and the House is not sitting.

Registers are located on Level 8 in the LA Table Office, Level 6 at the Hospital Road Security Post and on Level 11 at the LC Reception desk.

5.2.6 Claiming Actual expenses up to the Daily Maximum Limit

A Member who receives the daily rate of allowance and has exceeded the maximum number of days specified in the table above can claim actual expenses up to the daily maximum limit, provided tax invoices and receipts are provided to substantiate the claim.

Members claiming actual expenses need to verify their presence in Sydney using one of the methods outlined above. In addition, the following guidelines established to assess claims should be observed by Members in determining the appropriateness of costs.

Commercial accommodation

The cost of commercial accommodation will be approved, up to the daily limit in conjunction with meals and incidentals below, subject to the production of appropriate tax invoices/receipts.

Meals

The cost of meals in Parliament House, cafes, and restaurants will be approved, up to the daily limit in conjunction with commercial accommodation above and incidentals below, subject to

the production of appropriate tax invoices / receipts. The allowance is provided for the sole use of the Member and should be limited to expenditure for the Member. The allowance does not provide for costs incurred by a spouse/approved relative.

Reasonable costs relating to alcohol consumed with a meal under the circumstances described above will be approved. Alcohol purchased in isolation will not be approved.

Grocery bills for food items may be approved, up to the daily limit in conjunction with commercial accommodation above and incidentals below. The quantity and frequency of grocery bills should be 'reasonable' and consistent with the number of overnight stays claimed.

Other items within a grocery or general shopping bill such as toiletries, cosmetics, insecticides, pharmaceuticals and kitchen utensils / crockery will not be approved.

Incidentals

The types of items that are generally considered to be incidental to the travel would include laundry/dry cleaning costs, car parking at the hotel/accommodation (relating to the overnight stay), together with newspapers or a telephone call (if not using a mobile).

5.2.7 Items not reimbursed under the Sydney Allowance

There are certain items that will not be reimbursed from the Sydney Allowance when claiming actual expenses once the daily limit has been exceeded. Some examples are:

- alcohol (without a meal)
- pharmaceuticals
- pesticides/aerosol sprays
- deodorant
- medications
- hair products
- dental hygiene products
- toiletries including shaving cream, razors and razor blades
- soap and shampoo products
- feminine hygiene products
- vitamins and supplements

5.2.8 Changes in residential circumstances

Any changes to a Member's residential circumstances and principal place of residence must be advised to the Manager, Members' Entitlements within seven (7) days of the change taking place. The Member can provide notice of this advice by completing the ['Sydney Allowance Election Form – SA001'](#).

5.2.9 Taxation of Allowance

The current allowance is based on actual overnight stays and is below the Australian Taxation Office's reasonable limit for an overnight stay in Sydney. Because of this, the allowance is not taxable and will not appear on a Member's annual PAYG payment summary.

If Members wish to claim tax deductions for expenses incurred in excess of the allowance, a summary statement can be provided at the end of each financial year advising Members of the actual amount of Sydney Allowance paid to them by the Parliament.

5.3 ELECTORATE TO SYDNEY TRAVEL

The 2014 Determination sets out entitlements for 'Members whose principal place of residence is either a minimum distance of 70 kms by road from Parliament House or the Member resides in an electorate categorised as outer non-metropolitan, as specified in Schedule 2' or Schedule 2AA [see above].

These Members 'qualify for return air travel warrants between their electorates and Sydney.'

The entitlement is provided for the performance of parliamentary duties.

All eligible Members receive 104 single economy class journeys per annum between electorate/zone and Sydney. Recognised Office Holders, where eligible, are also entitled to the following additional travel entitlements between the electorate and Sydney per annum:

Office Holder	Additional Electorate to Sydney travel entitlement
Minister of the Crown	32 single journey entitlements
Speaker of the Legislative Assembly	32 single journey entitlements
President of the Legislative Council	32 single journey entitlements
Leader of the Opposition Assembly and Council	32 single journey entitlements
Leader of Party (not less than 10 Members in the Legislative Assembly)	32 single journey entitlements
Deputy President and Chair of Committees, Legislative Council Assistant Speaker, Legislative Assembly	32 single journey entitlements.
Deputy Speaker	32 single journey entitlements
Deputy Leader of the Opposition Assembly and Council	16 single journey entitlements
Deputy Leader of Party (not less than 10 Members in the Legislative Assembly)	16 single journey entitlements

5.3.1 Conditions of Use

The 2014 Determination specifies the following conditions to apply to this entitlement:

1. All electorate to Sydney travel and return is restricted to economy class.
2. Entitlements may be used to meet the cost of using a private motor vehicle or rental vehicle in lieu of electorate to Sydney air travel. The amount to be reimbursed for this purpose is not to exceed the commercial airfare for an equivalent distance flight.
3. A minimum of one entitlement is required to be surrendered for each single journey; a return trip will require the surrender of at least two warrants.
4. Entitlements are not transferable between Members or approved relatives or Members' staff
5. Members may use electorate to Sydney entitlements to defray part of the cost of intrastate and interstate parliamentary travel when such travel is via Sydney.
6. Members may charter a plane in lieu of travelling on commercial flights provided that travel is for electorate and/or parliamentary business and that sufficient entitlements based on the equivalent commercial cost of each person travelling are surrendered. The

cost of Member's approved relative travelling on the charter is to be met from the Members' Logistic Support Allocation. It is a condition of all air transport charters that the Member responsible for organising the charter obtains a passenger manifest from the charter operator and attaches it to the invoice when it is sent for payment.

7. A Member's air transport booking for parliamentary duties and that of their spouse/approved relative and staff are to be made by the Member with an appropriate transport provider.
8. Members will need to maintain records or other relevant evidence that clearly document the occasions they travelled to Sydney in connection with their parliamentary duties. A copy of this documentation including airline boarding passes if travelling by commercial air is to be retained for subsequent review by internal and/or external auditors if required.

In addition to the above conditions, the provisions contained in the Department of Premier and Cabinet Memoranda '[M2013-08 - Official Travel within Australia and Overseas](#)' and the associated Policy on Official Travel within Australia and Overseas apply to Members. The policy states that: 'The lowest logical fare of the day is to be used'. This means the cheapest fare available meeting the Member's logistical needs. In addition, economy class must be used for all Australian travel with the exception of flights to Western Australia and Northern Territory for which business class or premium economy fares may be purchased.

5.3.2 Claiming the entitlement

Air Travel

Members may utilise the [NSW Government travel contract](#) with Carlson Wagonlit Travel (CWT). Should a Member wish to use the corporate account for travel purposes, they should contact Members' Entitlements. Alternatively, Members may make air transport bookings with an appropriate transport provider (travel agent or airline), meet the cost initially and then seek reimbursement or request that the provider be paid directly where the Member has established a charge account.

Once the travel has been undertaken, Members should submit a [Travel 1](#) – Air Travel Claim Form to Members' Entitlements. The Member must note on the form that the Home / Electorate to Sydney entitlement is to be used. The Member must attach an original tax invoice and certify that adequate documentation (including a copy of the invoice) has been retained for audit purposes.

Private and Rental Vehicle

Members' may elect to drive a vehicle ([private, rental or hire](#)) from their electorate / principal place of residence to Sydney. However, reimbursement of vehicle costs is limited to the value of an equivalent distance economy class airfare and the following restrictions apply:

1. Should commercial air services operate from the Members' closest approved airport, private vehicle travel will only be reimbursed for actual kilometres travelled (at the applicable public sector cents per kilometre rate) up to the value of an equivalent distance economy class airfare.
2. If no commercial air travel services are available, private vehicle travel will be reimbursed for actual kilometres travelled at the applicable public sector cents per kilometre rate.
3. Should commercial air services operate from the Members' closest approved airport, rental and hire vehicle travel will only be reimbursed for actual costs incurred up to the value of an equivalent distance economy class airfare.

4. If no commercial air travel services are available, rental and hire vehicle travel will be reimbursed for actual costs incurred, up to the value of the Members' usual private vehicle reimbursement total.

Note: The reimbursement rate per kilometre is the same ATO rate used for LSA vehicle travel. Members' using a third party vehicle will be reimbursed at the casual cents per kilometre rate, which is 40% of the ATO business rate.

5.3.3 Substantiation

Members are required to maintain records that clearly document the occasions they travelled to Sydney in connection with parliamentary duties. Such documents could include:

- Airline boarding passes
- Passenger manifests for Charter Transport
- Receipts for petrol purchases for private vehicle claims
- Signing attendance in the Parliament House Register

Chapter 6: Additional Entitlements available for Members of the Legislative Assembly

The following additional entitlements are available for Members of the Legislative Assembly:

- *Electorate Communication Account*
- *Electorate Charter Transport (available only to Members of the largest electorates (Electoral Groups 5-7) and the Member for Port Macquarie)*

6.1 ELECTORATE COMMUNICATION ALLOWANCE

Following submissions to the Tribunal in 2013, the Determination renamed the Electorate Mail-out Account the Electorate Communication Allowance (ECA). This decision was to reflect a 'broader usage of this entitlement'.

6.1.1 Purpose

The 2014 Determination identifies the specific purposes for which the entitlement is provided as:

- a) For preparing and distributing letters/newsletters to each constituent in his/her electorate. This includes paper based communication methods and e-newsletters. Members are provided with an annual amount based on the cost of issuing two newsletters/letters per enrolled voter per annum. Members may issue additional newsletters/letters subject to available funds in their Electorate Communication Allowance and the Parliament's administrative guidelines.
- b) Upon the gazettal of new electoral districts following an electoral redistribution (undertaken pursuant to s 27(1)(c) of the Constitution Act 1902), Members may use their Electorate Communication Allowance to communicate with prospective constituents from neighbouring electorates who at the time of the next election following the gazettal of the new electoral districts will become constituents of the Member's electorate.
- c) When an electoral redistribution results in the abolition or renaming of an electorate, that Member may communicate with prospective constituents in a new or renamed electorate, subject to the new or renamed electorate comprising the majority of the constituents who would have resided in the Member's former electorate prior to the gazettal of the new electoral districts.

6.1.2 Entitlement

The entitlement is based on the number of Electors in each Members Electoral District. The Tribunal determines the annual allocation, in accordance with the number of registered voters in each electorate, obtained from the State Electoral Office each year at the time of making its annual determination.

The Tribunal publishes both the number of enrolled electors and the annual dollar entitlement for each Member in Schedules 4 and 4A of its Annual Determination. Members are provided with a budget allocation for the dollar amount shown in Schedules 4 and 4A. Cash advances are not provided and funds are drawn-down as expenditure is incurred.

6.1.3 Conditions of Use

The general conditions, guidelines and definitions contained in the PRT Determination also apply to claims made against this entitlement.

The 2014 Determination attaches the following conditions to apply to the use of the entitlement:

1. The Electorate Communication Allowance shall be established and maintained by the Executive Manager Department of Parliamentary Services. Members should be advised by the Department of Parliamentary Services each month as to the balance of their Account.
2. Members are to fund the cost of preparing, printing and distributing letters/newsletters to each constituent in his/her electorate and for no other purpose. This includes paper based communication methods and e-newsletters.
3. All procurement by Members will be in accordance with the Parliament's purchasing policies.
4. No supplementation to the allocation will be considered. Any additional costs are to be met from the Member's Logistic Support Allocation.
5. Unused Electorate Communication Allowance allocations are to be forfeited at the end of each financial year.
6. Printing and distribution of paper based or e-newsletter from the Electorate Communication Allowance is to be in accordance with the Parliament's administrative guidelines.
7. Communication with prospective constituents is permitted following gazettal of electoral districts. Each Member is to receive the details of the prospective constituents from the NSW Electoral Commission. For Members whose electorates are substantially unchanged by the electoral redistribution, communication will be limited only to those electors who will transfer from adjoining electorates. For Members whose electorates are abolished or renamed, those Members may communicate with prospective constituents in a new or renamed electorate, where that electorate comprises the majority of the constituents who would have resided in the Member's former electorate prior to the gazettal of the new electoral districts.
8. Communications with constituents/prospective constituents will be limited to matters affecting the Member's electorate.
9. Members will not be permitted to use their ECA for the production and distribution of publications (paper based or electronic) intended for multiple distribution either electronically, by mail, letterbox drop, newspaper supplement/insert or handout during the period from 26 January in a State election year to the election date. This includes all written, drawn or pictorial matter, including advertisements, but not general office correspondence

The ECA cannot be used for electioneering or political campaigning or for the purpose of facilitating Members' participation in the activities of recognised political parties including:

- Activities such as those associated with party membership drives;
- Mail distributions for non-electorate or non-parliamentary activities;
- Costs associated with election campaigning for an individual Member;

- Fundraising for a Member's own political use and/or other party political Members (such as the purchase of raffle tickets, raffle prizes or tickets to attend functions etc;
- Costs previously borne by political parties which are not principally related to a Member's parliamentary or electorate duties; and
- Costs associated with pre-selection activities.

In addition, the Department of Parliamentary Services has developed the following administrative guidelines to apply to the use of the ECA.

6.1.4 Publications

Publications referred to in this section include any written, drawn or pictorial letters, flyers, brochures or newsletters (paper based or electronic) intended for multiple distribution of not less than 200 copies of the same publication at the same time either electronically, by mail, letter box drop, newspaper supplement/insert or handout.

Members may use their ECA to meet the following costs associated with the production and distribution of publications:

- Constituent database address costs
- Envelope costs
- Folding and inserting costs
- Postage and distribution costs
- Pre-production costs including researching, writing, editing of the text, design, layout and photography costs
- Printing costs.

For more information, please see the Parliament's [Publications Guidelines](#).

Distribution

The month and year of printing is to be shown on the publication and it must be distributed in the same month of printing or the following month.

The publication is only to be distributed within the Member's own electorate except as provided in the PRT Determination provisions relating to electoral redistributions.

Members are not restricted as to the number and size of mail outs, the number of pages, the method of address or the method of distribution of the publications provided they comply with guidelines and sufficient ECA funding is available to meet the associated cost. However the publication is not to be distributed with electioneering or campaign material, which must be funded from non-parliamentary sources.

Due to the logistics involved in printing and distributing publications, Members are strongly encouraged to use the services of external printers and mail houses rather than electorate office staff.

Quantities

The goods or services purchased are required to match the size of the mail-out. For example, a mail-out to 10,000 constituents would require 10,000 newsletters or letters, 10,000 envelopes and postage charges for 10,000 letters etc. Any additional quantities ordered shall be treated as an LSA expense subject to available funding.

Quotations

If the printing work is undertaken in-house, Parliamentary Printing Services can provide a written quotation for acceptance by the Member prior to proceeding with the work.

Alternatively, Members may wish arrange for the printing work to be undertaken by an external printer. If external printers undertake the printing work, Members may wish to obtain written quotations prior to proceeding. Quotations should also be obtained from mail houses and private letterbox delivery providers if these services are to be utilised. Provision of such quotations which should include GST eliminates subsequent disputes as to the amount charged for such services.

This arrangement is subject to:

- The Member having sufficient ECA funds available
- Rates being considered reasonable and consistent with normal market rates for items of a like nature

For individual purchases exceeding \$30,000 in value, three written quotations are required which are to be forwarded to the Manager, Members' Entitlements for approval prior to any purchases or commitments being made.

Quotations are not required for Australia Post charges.

Use of Bona Fide Businesses or Professionals

All work is to be undertaken by persons or organisations who have a registered Australian Business Number and who specialise in that line of work. Public liability insurance cover of not less than \$5 million is also required for contractors if they are working from Members' electorate offices.

Assessment of ECA Publication Material

Members may seek an appraisal of their publication material from Members' Entitlements by supplying a proof copy of the publication to Members' Entitlements via email – DPS.MembersEntitlements@parliament.nsw.gov.au. The Member will receive a written assessment from Members' Entitlements expressing an opinion as to whether or not the content is consistent with the provisions of the PRT and the Parliament's administrative guidelines.

Members who do not have their publications pre-appraised will be fully accountable for ensuring all content is in accordance with PRT conditions and administrative guidelines. Breaches of these conditions and guidelines may result in Members having to meet the cost of producing and distributing such publications personally.

6.1.5 Administrative Guidelines

The ECA amount is allocated to eligible Members each financial year. Members will be provided with a balance of their account each month.

The actual date of service or supply will determine financial year in which the transaction will be recorded. The PRT Determination precludes the carry-over of unexpended funds in a Member's ECA to the following financial year.

If the ECA is over-expended in any one financial year, the over expenditure is to be met either from the Member's LSA, if sufficient funds are available, otherwise from the Member's personal finances. The ECA cannot be supplemented.

6.1.6 Claiming the Entitlement

The Member must complete the Electorate Communication Allowance (ECA) Claim [Form](#) to make a claim. The Member may meet the cost initially and then seek reimbursement. Alternatively, the Member may request that the provider be paid directly.

An original tax invoice must accompany the claim form.

The Member must retain adequate supporting documentation, including a copy of the tax invoice and publication, for presentation for audit purposes.

6.1.7 Items and services not approved as ECA expenditure

A number of items and services are not to approved as ECA expenditure. These are:

Routine office Correspondence

The ECA is not to be used for routine office correspondence for which the LSA is provided.

Third party publications

The ECA cannot be used to issue publications on behalf of a lobby group, political party, charity or other special interest group as Members' entitlements are provided for the sole use of the Member.

The Tribunal has, however, issued a ruling that Members may utilise their electoral allowance to fund expenditure associated with the cost of printing material on behalf of community groups.

Other material

- New constituent letters
- A survey seeking feedback from constituents or a petition, unless accompanied by a publication
- Reply paid or return addressed envelopes enclosed with publications (or related postage fees)
- Invitations to attend meetings or morning/afternoon teas unless incorporated as a secondary component of the information provided

These costs may, however, be met from the Member's LSA.

Election time Usage

Use of the ECA for the production and distribution of publications (paper based or electronic) intended for multiple distribution is not permitted from 26 January in a State election year to the election date. This includes all written, drawn or pictorial matter, including advertisements, but not general office correspondence.

Pre-purchase

Members are not permitted to pre-purchase letterhead, paper, envelopes, postage stamps or other services for future mail-outs.

Equipment

The ECA cannot be used for the purchase, lease or rental of equipment to be used for the purpose of producing or despatching of publications.

Consumables

The ECA cannot be used for meeting the cost of Parliament House or electorate office photocopier usage charges or toner for computer printers and consumables for printers.

Staff

Members are not permitted to use their ECA entitlement to directly employ additional staff or have them paid via the parliamentary payroll to undertake any of the mail-out tasks. Members may, however, utilise their Additional Temporary Staff (ATS) entitlement for this purpose with the salary costs being met from the ATS entitlement and not the ECA.

Family Members

For probity reasons and to avoid possible conflicts of interest, Members are not permitted to contract their relatives, or approved relatives (see following definitions), electorate staff or other staff who are on the Parliament's payroll to perform any ECA work for which an invoice is issued for payment from a Member's ECA. This applies irrespective of whether such work is undertaken during or outside normal working hours.

In addition, prior to ECA work being undertaken by a business employing a spouse or approved relative of a Member or Electorate Officer/parliamentary employee for which a fee is charged, prior approval is required to be sought in writing from the Manager, Members' Entitlements.

A relative is defined in the *Constitution (Disclosures by Members) Regulations 1983* as:

- (a) The parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendent or adopted child of the Member or of the Member's spouse, or
- (b) The spouse of the Member or of any other person specified in paragraph (a).

The definition of an approved relative, which includes de facto spouse or partner, is contained in the Parliamentary Remuneration Tribunal Determination and is reproduced in Chapter One.

6.2 ELECTORATE CHARTER TRANSPORT

Legislative Assembly Members who have the largest electorates (Electoral Groups 5-8) and the Member for Port Macquarie are provided with an allowance from which Charter Transport costs incurred within their electorates are met.

6.2.1 Definition

Members' Entitlements Handbook – Second Edition

The 2014 Determination defines ‘charter transport’ as charter transport used with and for the service of the Member’s electorate and includes charter aircraft, drive yourself vehicles and any other mode of charter transport that may be deemed appropriate in the circumstances by the Speaker of the Legislative Assembly.

6.2.2 Entitlement

The 2014 Determination provides the following entitlement for Members of the Legislative Assembly in the groupings specified:

1 July 2014 to 27 March 2015 (inclusive)

Electorates	Entitlement
Group 5 (incl. Port Macquarie)	\$7,890
Group 6	\$12,885
Group 7	\$23,825

28 March 2015 to 30 June 2015 (inclusive)

Electorates	Entitlement
Group 5 (incl. Port Macquarie)	\$9,380
Group 6	\$15,315
Group 7	\$28,320
Group 8	\$36,710

The Member may use the entitlement for approved relative and staff Member travel by Charter Transport. The entitlement is provided on a financial year basis. There is no provision to carry over unexpended funds into the following financial year.

6.2.3 Conditions of Use

The Tribunal specifies the following conditions to apply to this allowance:

1. This allowance shall only be used in connection with parliamentary duties within the Member’s electorate and shall not be used during election campaigns or for other electioneering or party political activities. The day following the last day available for the issue of writs shall be used as the effective commencement date of the election campaign.
2. Only the cost of the Member’s approved relative or Member of staff accompanying the Member may be met from this allowance.
3. It is a condition of all transport charters that the Member responsible for organising the charter obtains a passenger manifest from the charter operator and attaches it to the invoice when it is submitted for payment to the Parliament.
4. The charter transport will only be used within and for the service of the Member’s electorate. Where the closest source of available charter transport to the Member’s electorate, electorate office or principal place of residence is outside the boundaries of the electorate, the reasonable additional expenses incurred may be claimed for reimbursement under this Determination.

5. Members may use their Charter Transport Allowance to fly to an airfield located outside their electorate in circumstances where there is no suitable airfield located in the part of the electorate being visited by the Member. In these circumstances the Member would fly to the relevant airfield and then drive back to the electorate to conduct electorate business.
6. Members may also use the Charter Transport Allowance to attend regional or other meetings within an adjoining electorate relating to matters affecting their electorate. Members will need to maintain and retain records that verify that the purpose of the journey relates to electorate business for subsequent audit review if required.
7. A Member representing the Electorate of Murray Darling and a Member representing the Electorate of Barwon who flies his/her own aircraft, may claim reimbursement against this allowance for the cost of fuel, landing fees and one annual service.
8. The Member for Port Macquarie may use the Charter Transport Allowance to undertake up to four return trips to Lord Howe Island per year, flying from Port Macquarie or from Sydney subject to available flights. The entitlement is only to be used for transport costs between the electorate and Lord Howe Island and does not extend to the Member's approved relative or staff employed by the Parliament.

6.2.4 Claiming the Entitlement

The Member responsible for organising the charter is to obtain a passenger manifest from the charter operator. The original passenger manifest and the original tax invoice must be attached when the Electorate Charter Transport Allowance Claim [Form](#) is submitted for payment to Members' Entitlements.

6.2.5 Substantiation

Members should retain copies of invoices and manifest documentation. In addition, Members will need to maintain and retain records that verify the reasons and purpose of the journey and how it relates to electorate business for audit purposes. This is particularly important for trips using Charter Transport involving travel outside the Member's electorate (see conditions 4, 5 and 6). Supporting documentation could include invitations to attend meetings and minutes of proceedings that record the Member's attendance.

6.3 STAFFING

The Tribunal has, within its Determinations, made provision for entitlements for staffing for Members of the Legislative Assembly and Legislative Council, as part of additional entitlements for equipment, services and facilities.

Chapter 7: Additional Entitlements - equipment, services and facilities

This chapter provides information about the equipment, services and facilities the Parliament provides to all Members to enable the efficient performance of their parliamentary duties. The staffing entitlement that forms part of this additional entitlement is dealt with in the next chapter.

7.1 ENTITLEMENT

The Tribunal has determined that the Parliament is to provide Members of the Legislative Assembly and the Legislative Council with ‘the equipment, services and facilities necessary to perform their parliamentary duties’.

As with all other additional entitlements established under the PRT Determination, the general guidelines and conditions described earlier in this report apply to these entitlements.

More specifically, the 2014 Determination prescribes that:

1. All Members shall receive at Parliament House, Sydney, a fitted out, equipped and maintained office, and secretarial services.
2. Each Member of the Legislative Assembly shall receive a fitted out, equipped and maintained Electorate Office to an appropriate standard. The Member for Barwon shall be provided with an additional two electorate offices (a total of three) and the Member for Murray one additional office (a total of two).

7.2 FACILITIES AT PARLIAMENT HOUSE

7.2.1 Office

Each Member is provided with an office at Parliament House. Rooms are allocated following consultation between the Presiding Officers, Clerks, Executive Manager Parliamentary Services, Government and Opposition Whips, Independent members of the Legislative Assembly and Cross Bench members of the Legislative Council. All room allocations are approved by the Presiding Officers. Members cannot relocate offices without the approval of the Presiding Officers.

Members have certain standard furniture and equipment provided in their parliamentary offices. These include desks, chairs, credenza, sofa, television, refrigerator and filing cabinet. Other miscellaneous items are provided, such as wastepaper bins, notice boards and glassware.

Additional furniture may be available through Facilities Branch. Members can also purchase additional standard office furniture items (for example, bookcases and filing cabinets) from the Logistic Support Allocation (LSA). For items valued at or over \$300 ex GST written approval is required from the Manager, Members' Entitlements.

7.2.2 Security

Members are provided with a Security Access Pass, keys for the Member's office, parking details and security guidelines. Matters of safety and security of Members, their staff and offices should be discussed with the Security Manager. For general enquiries Members should visit the Facilities Branch Security Office on Level 6.

The Parliament and Electorate Offices are monitored 24 hours a day, 7 days a week from a central control room (x2600). NSW Police Special Constables are stationed within the Control Room and throughout Parliament House. Parliament House has an extensive CCTV and security access system.

The following are useful phone numbers:

- Emergency - extension 2600 (24hr Contact Number)
- General Enquiries - Security and Parking - extension 2178
- Security Manager - extension 2198 (mobile 0438 823 591)

7.2.3 Car Parking

Car parking at Parliament House is subject to the [Parking Space Levy Act 2009](#) and Members, therefore, must pay to utilise this service. The Car Park Access and Parking Regulations are listed on the Intranet. Yearly Parking and Casual Parking fees apply and these rates are subject to change.

Members cannot use their LSA to pay for parking.

7.2.4 Telephone / Facsimile lines

Members are provided with one telephone extension. A further telephone extension is provided for each full-time equivalent staff member employed by the Parliament on behalf of the Member. A further phone line can be supplied to operate a facsimile machine in the Member's office on request. Additional telephone lines are not available.

International calls

Any member wishing to make an international call from Parliament House may book it through the Parliament House switchboard by dialling 9. The cost of the call will subsequently be charged to the Member unless they are a recognised office holder and eligible to make such calls for parliamentary business purposes.

Telephone conference facilities

Telephone conference facilities are available to Members at Parliament House with the cost being an approved LSA expense, provided the Member participates in the conference and the call is for parliamentary business purposes. To make a conference call booking Members need to contact Facilities Branch Engineering staff on extension 2500. Members should be aware that such calls may incur a substantial cost based on the duration of the call and the number of participants involved.

Voicemail facilities

Voicemail is available to all Members and staff via the PABX system. Voicemail can be remotely controlled from any telephone, either from the building or elsewhere in the public network. A voicemail facility can be established by calling Facilities Branch Engineering staff on x2500.

7.2.5 Pager

Members are supplied with a pager, which allows them to be contacted by their telephone extension. Pagers can be accessed only within Parliament House via telephone by dialling 7, then 3, then the extension, followed by either a coded message or the caller's own extension number. The Whips use pagers during sittings to call Members to the House for a division or quorum.

Pagers notify by vibrating and displaying messages. Up to 10 messages can be stored. The pagers are issued and administered by the Facilities Branch. For set up, loss or faults, contact the Facilities Branch on extension 2607.

7.2.6 Television

The television in Members' offices is for use in the Parliament House offices only. Local channels and a variety of programs on Foxtel are viewable on these televisions. Proceedings of both Houses are broadcast on Channel 302 (Legislative Assembly) and Channel 301 (Legislative Council). Members can arrange to have DVD recordings made of news and current affairs programs by contacting the media monitoring service in the Library on extension 2448. For equipment problems, please contact the Facilities Branch Engineering staff on extension 2500.

7.2.7 Online Service Requests

The Facilities Branch provides maintenance and building related services for Members and employees in Parliament House. Online Service Requests are easy to complete and give quick responses for our clients. Your online request sends a work order directly to the specialist service teams.

In order to access the online facility, click [here](#).

7.2.8 Photocopiers

Photocopiers are located on Levels 9, 10, 11 and 12 for the use of Members.

The photocopiers are accessed with a PIN Code obtained from Facilities Branch Printing Services. Printing Services administers and maintains the equipment. The usage on the machines is read monthly and the relevant cost debited to each Member's LSA Account. The copy charge covers consumables such as paper and toner. Use of the PIN Code constitutes a Member's authority to deduct the costs incurred from their LSA and is not to be used to produce copies on behalf of other Members, persons or organisations in accordance with the PRT Determination. In case of difficulties or faults, contact extension 2026.

The photocopying machines are provided to assist Members and staff with immediate short run copying facilities. The machines are not intended to accommodate large printing orders; these should be referred to Printing Services.

Printing Services offers the following copying services:

- Urgent jobs – where possible, (subject to the size and quantity of the job) will be processed within one working day
- Large/complex jobs – timeframe will be negotiated, based on existing workload.

The cost per impression for Printing Services undertaking the work is:

A4 – 100% recycled paper, single sided @ 0.042c per copy / double sided 0.057c per copy

A4 – White bond paper, single sided @ 0.037c per copy / double sided 0.052c per copy

Convenience copiers located on floors 9, 10, 11 and 12 are charged 0.033 cents per copy. To confirm all printing costs, Members should direct their inquiries to Printing Services on extension 2026.

7.2.9 Folding machines (LC Members)

Three folding machines are provided on Level 11 for use by Legislative Council Members. One is allocated to the Government Whip, one to the Opposition Whip and the third machine is available for use by Cross Bench members. Difficulties or faults should be reported to the Legislative Council Chamber and Support staff at the desk on level 11 or on extension 2332.

7.2.10 Computers

Parliament House Offices

Each Member is provided with a computer and a multifunction device (print, fax, scan and copy) for their Parliament House office. Legislative Council Members are provided with a computer for each full-time equivalent position employed by the Parliament on behalf of the Member and access to the Parliament's network.

Electorate Offices

Each Member is supplied with a computer for use in their electorate office. In addition to this, each electorate office is provided with a computer for each full-time equivalent position and one for use by Additional Temporary Staff employed by the Parliament. The electorate office is also supplied with a multifunction device (print, fax, scan and copy) in addition to a black and white laser printer.

General

Remote access to the Parliamentary network is available to Members (for connectivity over a broadband internet connection). This service may be extended to the Members' staff at a cost to the Member.

All computers supplied by the Parliament are provisioned with the Parliament's standard operating environment (SOE). The SOE is comprised of the Windows operating system and a suite of approved software applications including Microsoft Office 2010.

The Parliament has developed a number of [policies](#) on the acceptable use of Parliament provided devices in order to maintain a high level of security for information stored on the parliamentary network. All Members should become familiar with the Parliament's Information Security Framework policy.

Inquiries regarding compatible computer hardware and software can be directed to the IT Services Service Desk on extension 2339. While some applications may be purchased from Members' additional entitlements and installed by IT Services, on-going support is not provided by the IT Service Desk.

Hardware or software that is not approved for use on the network can create significant performance problems on parliamentary computers and the network. Accordingly, under the Parliament's policies, the attachment of non-standard hardware or installation of non-standard software is not permitted. However, the use of certain non-standard hardware and software may be permitted, subject to an assessment and testing by IT Services to ensure compatibility with the SOE.

7.2.11 Printer/Multifunction Device

Each Parliament House office is provided with either:

- a) A networkable black and white printer, or
- b) A multifunction device that provides printer, fax, copy and scan capability.

7.2.12 Service Desk

The Parliament's IT Services Service Desk is available between the hours of 8:00am and 5.00 pm Monday to Friday for all computer and mobile phone enquiries. The Service Desk can be reached on extension 2339.

7.2.13 Home office

Members are entitled to reimbursement of telephone and facsimile rental and call costs in their principal place of residence.

For the purposes of home office entitlements, the Parliament only recognises home offices established in a Member's principal place of residence. The Member may also use the LSA to purchase equipment not already provided by the Parliament for their home office. Please note purchases of \$300 (ex-GST) or more, must be approved by the Manager, Members' Entitlements.

7.3 ELECTORATE OFFICE - LEGISLATIVE ASSEMBLY

In addition to their Parliament House office, Members of the Legislative Assembly are also provided with a local Electorate Office. The Legislative Assembly Electorate Office Services Unit (EOSU) manages this.

For further information on Electorate Offices, Members should refer to the Legislative Assembly Handbook, which provides comprehensive information on the services, equipment and facilities provided by the Legislative Assembly and managed by the EOSU.

7.4 AUDIT OF ASSETS

An annual audit of assets is undertaken by the Parliament. As part of this process, Members are provided with a form to certify that the assets issued to them are:

- in their custody
- at the location recorded in the assets database
- are used for parliamentary duties in accordance with the provisions of the current Determination.

To assist with audit procedures, assets should not be relocated without prior agreement of the Local Asset Manager or the Electorate Office Services Unit.

All equipment issued to a Member remains the property of the Parliament and must be returned when due for replacement or upgrade.

Members should also refer to Parliament's Asset Policy, including disposal processes, in Chapter Nine.

Chapter 8: Claiming Entitlements - Administration

8.1 CLAIMING ENTITLEMENTS

In submitting claims for payment, the following administrative arrangements will apply.

8.1.1 Australian Tax Office (ATO) invoice requirements

For the Parliament to comply with ATO requirements it is necessary that a tax invoice be obtained for all goods and services purchased where the Goods and Services Tax (GST) exclusive value is \$75.00 or more. In the event that the supplier or service provider is not registered for GST the Australian Business Number (ABN) must be quoted on the invoice.

A valid tax invoice is a document that meets all of the following requirements:

- it is issued by the supplier
- it contains enough information to enable the following to be clearly identified
 - the supplier's identity and ABN
 - a brief description of what is sold, including the quantity (if applicable) and the price of what is sold
 - the extent to which each sale is a taxable sale – this can be shown separately or, if the GST to be paid is exactly one-eleventh of the total price, as a statement such as 'total price includes GST'
 - the date the document is issued
 - the amount of GST (if any) payable for each sale
 - that the document was intended to be a tax invoice

In addition, if the total price of the sale is at least \$1,000, the recipient's identity (the name of the Member – not NSW Parliament or a Political Party) or ABN must be able to be clearly identified.

To claim for purchases that cost \$82.50 or less (including GST), you must supply documents such as cash register dockets, receipts or invoices to support your claims.

8.1.2 Goods and Services Tax (GST)

The Parliament is registered for GST purposes, so an input tax credit is claimed from the ATO for all Members' entitlement claims paid direct to service providers or reimbursed to the Member. Accordingly, the GST exclusive cost is deducted from Members' entitlement allocations.

8.1.3 Information in relation to establishment of accounts

All accounts established with service providers such as a local newsagent, printer or Australia Post must be created in the name of the Member. No expenses are to be incurred in the name of the Parliament.

A Member may choose to have the provider paid directly by the Parliament and have this amount debited against their entitlements or to pay the provider in the first instance and then

seek reimbursement from the Parliament. Provision is made on the claim forms to nominate the payment method required.

If accounts involve the unavoidable intermingling of resources (that is, they are made up of both parliamentary duties and private expenditure), it is strongly suggested that Members pay the account first and then seek reimbursement for the parliamentary duties component. This reduces unnecessary complications in the processing of claims.

8.1.4 Claims and processing reimbursements

Members must submit claims for payment to Members' Entitlements within 60 days of receipt or occurrence of the expense.

Claims for payment or reimbursement are scheduled for processing and payment by the Parliament within the following timeframe:

- Members' Entitlements process all complying and correctly completed claims within two working days of receipt and forward them to Financial Services for payment
- Financial Services will then process claims according to the following schedule:
 - for payment by EFT - within 10 working days of receipt of a claim
 - for payment by cheque - within 10 working days of receipt of a claim
 - payment direct to vendor / suppliers by the Parliament is in accordance with standard trading terms, usually in 30 days.

To minimise processing costs and processing delays the payments will be made by Electronic Funds Transfer (EFT) with remittance advices emailed to the payee.

In line with the Parliament's administrative arrangements and consistent with accrual accounting principles, the actual date that the goods or services are supplied or provided determines against which accounting year and budget allocation the transaction will be recorded.

Members are advised each month by the Members' Entitlements Unit as to the balances of their entitlements. This includes advice on the balances for the Logistic Support Allocation for all Members of Parliament, Daily Sydney Allowance for eligible Members, and Electorate Mail Out Account, Additional Temporary Staff, Electorate Office Requisites and Charter Transport Allocation (if applicable) for Members of the Legislative Assembly.

This advice will comprise both a summary report and a transaction report to assist Members and their staff to reconcile payments made and funds remaining with their own records. These reports will be issued electronically within 10 working days of the end of each calendar month.