

5.2 REVIEW OF MAYORAL AND COUNCILLOR ALLOWANCES

Responsible Senior Officer: Jarrod Doake, Chief Operating Officer

Responsible Committee: Committee appointed by Council

RECOMMENDATION

That Council:

A. Receives this report from the Committee appointed by Council pursuant to s.223 of the Local Government Act 1989 (the Committee) to consider submissions received in response to the public notice in respect of the proposed review and setting of the Mayoral and Councillor Allowances for 2021.

B. Notes that the Committee met on 11 May 2021 to consider submissions received in regard to the proposed review and setting of the Mayoral and Councillor Allowances for 2021.

C. Adopts the Committee's recommendation that the Mayoral and Councillor Allowances and consequently the superannuation contributions, for 2021 be set as follows:

1. The Mayoral and Councillor Allowances for 2021 are recommended to be set as follows:

- Councillor allowance: \$31,444 per annum*
- Mayoral allowance: \$100,434 per annum*

2. The following equivalent of the Superannuation Guarantee Contribution for 2021 is proposed to be made:

- Councillor: \$2,987.18 per annum*
- Mayor: \$9,541.23 per annum*

C. That a fully-maintained Council vehicle be provided for the Mayor's use during their term of office as Mayor.

INTRODUCTION

At its 30 March 2021 meeting, Council resolved to review the Mayoral and Councillor Allowances for 2021 and refer them to a public consultation process.

BACKGROUND

The *Local Government Act 2020* (2020 Act) transfers responsibility for determining Mayoral, Deputy Mayoral and Councillor allowances to the

Victorian Independent Remuneration Tribunal (the Remuneration Tribunal).

However, until the Remuneration Tribunal, makes its first determination on allowances, the framework under the *Local Government Act 1989* (1989 Act), continues to apply.

Section 39(6) of the 2020 Act provides for this transitional arrangement.

The Minister for Local Government will request the Remuneration Tribunal to make its first determination, which is expected in late 2021, as advised by Local Government Victoria.

Current arrangements (under the 1989 Act)

Under section 74(1) of the 1989 Act, councils are required to review and determine the Mayoral and Councillor allowances within six months of a general election or by 30 June, whichever is later, ie by 30 June 2021.

DISCUSSION

Under the *Local Government Act 1989*, Council had set the allowances at the maximum of Category 3, under the Act.

At its 26 May 2020 meeting, Council resolved not to accept the increase approved by the Minister for Local Government, for 2020/2021, in recognition of the financial impact that COVID-19 was having on the community.

CONSULTATION

In undertaking their reviews, councils must ensure that a person has a right to make a submission under section 223 of the 1989 Act (as required by section 74(4) of the *Local Government Act 1989*).

The required public notice calling for submissions on the proposed allowances was published on Council's web site and in 'The Age' newspaper on 1 April 2021, with submissions closing at 5.00 pm, 3 May 2021.

At the close of the public submission process, no submissions had been received.

A committee comprising all Councillors was appointed by Council to consider any submissions received and met on 11 May 2021, in the Council Chamber of the Civic Centre.

The meeting was webcast on Council's website.

POLICY IMPLICATIONS

There are no policy implications in relation to this matter.

FINANCIAL IMPLICATIONS

Mayoral and Councillor allowances have been budgeted for.

CONCLUSION

The Committee appointed by Council recommends that the Council sets the Mayoral and Councillor allowances for 2021, as part of the transition process between the *Local Government Act 1989* and the new *Local Government Act 2020*, in relation to allowances, as detailed at its 30 March 2021 meeting.