

6.4.3 Mayor and Councillor Allowances

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Recommendation(s)

That Council

1. note that an increase to the level of Councillor allowances available in January 2020 was not accepted at that stage
2. propose to move to the level of the Mayor and Councillor allowances allowed as a Category 3 Council and these allowances be proposed to be set at:
 - Mayor: \$100,434 per annum
 - Councillors: \$31,444 per annum
 - Plus an additional 9.5% of the above allowances as an equivalent of the Commonwealth Superannuation Guarantee, and
3. undertake a community consultation exercise seeking submissions on this proposal.

Attachments

Nil

Executive Summary

To consider setting the level of Mayor and Councillor allowances for this term of the Council

Background

The 2020 Local Government Act contains provisions regarding the setting of allowances. These new provisions introduce the concept of the allowances payable being set by the Victorian Independent Remuneration Tribunal. However, the Minister for Local Government must first request the Tribunal to undertake a review of the allowances and the Minister has not yet made this request.

Until such time as the Tribunal sets the allowances payable the provisions in the 1989 Act continue. These provisions require the Council to review and determine the level of allowances payable within 6 months after a general election or by the next 30 June, whichever is later. Any such determination is subject to a community consultation exercise where members of the community can provide any submissions on the review.

The current level of allowances are those that apply to a level 2 Council, these are currently Mayor \$81,204 and Councillors \$26,245.

The Council was advised in January 2020 that following a review of the Councillor allowance categories the Minister for Local Government has approved Cardinia moving to a Category 3 Council, up from a Category 2 Council.

The level of allowances payable for a Category 3 Council are

- Mayors: Up to \$100,434 per annum
- Councillors: Between \$13,123 and \$31,444 per annum
- Plus an additional 9.5% of the above allowances is payable as an equivalent of the Commonwealth Superannuation Guarantee.

When the Council considered this matter in January 2020 it was decided not to propose an increase in the allowances payable and to continue to receive the allowances previously set.

Council now has the opportunity to move to the Category 3 Level of allowances if it sees fit to do so, it is Officers recommendation that this be done.

If Council wishes to move to the new allowance amounts applying to a Category 3, Council must undertake a public review of the allowances payable and call for public submissions on the proposal.

Individual Councillors may choose to receive the entire allowance, to receive a specified part of the allowance or to receive no allowance. It is suggested that Councillors resolve to receive the entire allowance that they are entitled to.

Policy Implications

Nil

Relevance to Council Plan

5.2 Our Governance - Open governance

5.2.1 Embrace and demonstrate effective governance and transparency, notwithstanding that on occasions, matters under consideration will be confidential.

5.2.2 Govern and make decisions in the best interests of the Cardinia Shire community.

Climate Emergency Consideration

Nil

Consultation/Communication

Council must undertake a community consultation exercise inviting public submissions on the proposal before it is able to resolve to formally set the level of allowances payable

Financial and Resource Implications

If Council decides to increase the level of allowances payable this will require an additional \$66,021 to be included in the forthcoming budget

Conclusion

Council is required to review and determine the level of allowances payable and it is recommended that Council resolve to propose to receive the maximum allowances payable as a Category 3 Council and undertake a community consultation exercise seeking submissions in regard to this proposal.