

4 MAYOR AND COUNCILLOR ALLOWANCES

FILE REFERENCE INT176115

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RECOMMENDATION

That Council retain the Mayor and Councillor allowances at the maximum level as published in the Victorian Government Gazette so that the Mayoral Allowance will be \$76,521 per annum and the Councillor allowances \$24,730 per annum.

Attachments

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EXECUTIVE SUMMARY

To consider setting the level of Mayor and Councillor allowances for the term of this current Council following Council's resolution at the Statutory Council Meeting held on 14 November 2016 to propose to retain the Mayor and Councillor allowances at the maximum level and seek public submissions on this proposal.

BACKGROUND

Under the provisions of Section 74(1) of the Local Government Act 1989 Council is required to review and determine the level of Councillor and Mayoral allowances within 7 months of a general election. Additionally, Section 74(4) of the Act provides for the right for persons to make a submission in respect of such a review.

Under the *Victorian Government's Policy Statement on Local Government Mayoral and Councillor Allowances* Cardinia is classified as a Category 2 Council.

The level of allowances payable for the various categories of Councils set in accordance with this *Policy Statement* were included in a notice published in the Victorian Government Gazette on 24 November 2016 to take effect from 1 December 2016, this notice increased the allowance by an amount of 2.5% as follows:

	Councillor Min/Max	Mayor Up to
Category 1	\$8,324 – \$19,834	\$59,257
Category 2	\$10,284 – \$24,730	\$76,521
Category 3	\$12,367 – \$29,630	\$94,641

An amount equivalent to the superannuation guarantee (currently 9.5%) is payable in addition to these amounts.

POLICY IMPLICATIONS

Any decision taken in regard to setting the level of allowances will apply for the 4 year term of the current Council. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses incurred by Councillors in undertaking their duties as a Councillor and Council has accordingly adopted the *Councillor Expenses and Entitlements Policy*.

RELEVANCE TO COUNCIL PLAN

Nil

CONSULTATION/COMMUNICATION

Following the resolution of November last year a Public Notice was placed in the Pakenham Gazette, Pakenham News and Ranges Trader Mail as well as Council's website advising of the proposed level of allowances to be set and calling for submissions by 13 January. At the close of the exhibition period no submissions had been received.

FINANCIAL AND RESOURCE IMPLICATIONS

The 2016- 17 Budget has included sufficient funds to retain the Mayor and Councillors allowances at the levels previously set inclusive of the recent 2.5% increase

CONCLUSION

Council is required to review and determine the level of Councillor and Mayoral allowances within seven months of an election but is not in a position to increase the levels beyond those set by the Minister for Local Government.

It is considered fair and reasonable to retain the level of allowances at the maximum level allowable for a Category 2 Council being \$24,730 per annum for Councillors and \$76,521 for the Mayor. If these allowances are set they will be the allowances payable for the balance of the term of the current Council.

Council is only able to amend the allowances in the future if the Minister undertakes a review of the categories of Councils and amends these or increases the level of allowances having regard to movements in the levels of remuneration of executives within the meaning of the Public Administration Act 2004, as detailed in the Policy Statement.



REVIEW OF MAYOR AND COUNCILLOR ALLOWANCES.

Council is required to review the level of Councillor and Mayoral allowances payable and wishes to seek community input into setting these allowances.

The range of allowances payable is set by the State Government and Council is only able to amend the allowances in the future if the Minister for Local Government undertakes a review of the categories of Councils and amends these or otherwise increases the levels payable.

The Council at its meeting held on 14 November 2016 considered the level of allowances payable and is proposing to retain the allowances at the maximum level so that the Mayoral allowance will be \$74,655 per annum and the Councillor allowance \$24,127 per annum. Any decisions Council takes in regard to setting the level of allowances will be fixed for the term of this Council through to 2020.

An amount equivalent to the superannuation guarantee (currently 9.5%) is payable in addition to these amounts.

Council is interested in seeking community input into this decision and any interested persons are encouraged to make a submission in regard to this review. Any such submissions must be in writing and be lodged no later than 13 January 2017. If any person wishes to make a verbal presentation in support of their submission they should state so in the submission and these persons will be heard by the Council at a date and time to be set.

Submissions should be addressed to the Chief Executive Officer, and be delivered or sent to the Civic Centre, 20 Siding Avenue, Officer or via post to PO Box 7 Pakenham 3810 or email to mail@cardinia.vic.gov.au. All submissions will be considered in accordance with section 223 of the Local Government Act 1989.

A person requiring further information concerning the review of the allowances or the making of a submission should contact Doug Evans, Manager Governance on 1300 787 624.