

Item 7: Office of the General Manager

7.1 Fixing of Annual Fees for Councillors and the Mayor

REPORT BY THE MANAGER, CUSTOMER SERVICES & GOVERNANCE
TO 21 JUNE 2023 ORDINARY MEETING
GOV400103, GOV400010

RECOMMENDATION

That Council:

1. receive the report by the Manager, Customer Services & Governance on the Fixing of Annual Fees for Councillor and the Mayor; and
 2. fix fees for Councillors and the Mayor for the period of July 2023 to June 2024 at \$21,730 for Councillors and an additional \$47,420 for the Mayor;
 - 2.1 Council pay the Deputy Mayor a fee, to be deducted from the additional fee payable to the Mayor, for periods of 7 days or more, where the Mayor is unable to carry out the duties of Mayor, such fee to be for the period that the Deputy Mayor acts in the role of the Mayor; and
 - 2.2 the calculation of this fee to be determined at a pro rata rate of the Mayor's additional fee.
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Executive summary

This report addresses the need for Council to fix that annual fees for Councillors and the Mayor for the period July 2023 to June 2024. The report recommends an increase from \$21,100 to \$21,730 for Councillors and an additional payment to the Mayor increasing from \$46,040 to \$47,420.

Disclosure of Interest

Nil

Detailed report

The Local Government Act 1993 provides that Council must pay an annual fee to each Councillor and to the Mayor. The Mayoral fee must be paid in addition to the fee paid to the Mayor as a Councillor. The Council may fix these fees and, if it decides to do so, the fees must be fixed in accordance with the determination of the Local Government Remuneration Tribunal. If Council does not fix a fee, it is required to pay the minimum fee determined by the Remuneration Tribunal.

The Act also provides that Council may pay the Deputy Mayor a fee determined by the Council for such time as the Deputy Mayor acts in the office of the Mayor, such amount to be deducted from the Mayor's annual fee.

The Act provides that the Remuneration Tribunal must make a determination in relation to fees, not later than 1 May each year. Extracts from the 2023 determination of the Remuneration Tribunal is attached. As a consequence of that remuneration, this Council has been categorised as Regional Rural, the fees applicable for the period July 2023 to June 2024 being:

- Councillor Minimum \$9,850, Maximum \$21,730.
- Mayoral (additional fee) Minimum \$20,980, Maximum \$47,420.

Community Plan implications

Theme	Good Government
Goal	Strong civic leadership
Strategy	Provide clear strategic direction through the Community Plan, Delivery Program and Operational Plans

Strategic implications

Council Strategies

Community Strategic Plan

Council Policies

Councillor Expenses and Facilities Policy

Legislation

Local Government Act 1993

Financial implications

These fees are accounted for in Council's Operation Plan 2023/24

Associated Risks

Not Applicable

RICHARD CUSHWAY
MANAGER, CUSTOMER SERVICES &
GOVERNANCE

SIMON JONES
DIRECTOR COMMUNITY

11 May 2023

Attachments: 1. Council Circular - 2023/24 Determination of the Local Government Remuneration Tribunal.
2. 2023/24 Determination of the Local Government Remuneration Tribunal Report Extract pp 31 & 34.

APPROVED FOR SUBMISSION:

BRAD CAM
GENERAL MANAGER



Office of
Local Government

Circular to Councils

Circular Details	Circular No 23-03 / 10 May 2023 / A859646
Previous Circular	22-14 2022/23 <i>Determination of the Local Government Remuneration Tribunal</i>
Who should read this	Councillors / General Managers
Contact	Council Governance Team / 02 4428 4100 / olg@olg.nsw.gov.au
Action required	Council to implement

2023/24 Determination of the Local Government Remuneration Tribunal

What's new or changing

- The Local Government Remuneration Tribunal has determined an increase of 3% to mayoral and councillor fees for the 2023-24 financial year, with effect from 1 July 2023.
- The Tribunal is required to determine the remuneration categories of councils and mayoral offices at least once every three years under section 239 of the *Local Government Act 1993*. The Tribunal undertook a review of the categories as part of its 2023 determination.
- The Tribunal has determined the creation of two (2) new remuneration categories, 'Metropolitan Major' and 'Rural Large'.
- The Tribunal has also varied the criteria of several existing categories.
- As a result of the creation of the two new categories and changes to the criteria of some of the existing categories, the Tribunal has re-categorised twenty-six (26) councils into a higher existing category or into a new category.
- In its determination, the Tribunal has acknowledged the issues raised in submissions about the remuneration received by mayors and councillors, including a lack of diversity in representation, the changing nature of work required to be undertaken and changed community expectations. The Tribunal has suggested there would be merit in a comprehensive review of the framework for mayor and councillor remuneration. This will be considered as part of the Government's examination of the broader issues facing local government.

What this will mean for your council

- Sections 248 and 249 of the Act require councils to fix and pay an annual fee to councillors and mayors from 1 July 2023 based on the Tribunal's determination for the 2023-24 financial year.

Key points

- The level of fees paid will depend on the category the council is in.
- A council cannot fix a fee higher than the maximum amount determined by the Tribunal.
- If a council does not fix a fee, the council must pay the minimum fee determined by the Tribunal.

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Where to go for further information

- The Tribunal's report and determination is available [here](#).
- For further information please contact the Council Governance Team on 02 4428 4100 or by email at olg@olg.nsw.gov.au.

Brett Whitworth
Deputy Secretary, Local Government

Regional Rural (12)

- Bega
- Broken Hill
- Goulburn Mulwaree
- Griffith
- Kempsey
- Kiama
- Lithgow
- Mid-Western
- Nambucca
- Richmond Valleys
- Singleton
- Snowy Monaro

Rural Large (18)

- Bellingen
- Cabonne
- Cootamundra-Gundagai
- Cowra
- Federation
- Greater Hume
- Gunnedah
- Hilltops
- Inverell
- Leeton
- Moree Plains
- Murray River
- Muswellbrook
- Narrabri
- Parkes
- Snowy Valleys
- Upper Hunter
- Yass

Rural (38)

- Balranald
- Berrigan
- Bland
- Blayney
- Bogan
- Bourke
- Brewarrina
- Carrathool
- Central Darling
- Cobar
- Coolamon
- Coonamble
- Dungog
- Edward River
- Forbes
- Gilgandra

General Purpose Councils - Non-Metropolitan

Councillor/Member Annual Fee (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	19,760	34,330
Major Strategic Area	19,760	34,330
Regional Strategic Area	19,760	32,590
Regional Centre	14,810	26,070
Regional Rural	9,850	21,730
Rural Large	9,850	17,680
Rural	9,850	13,030

Mayor/Chairperson Additional Fee* (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	41,960	106,960
Major Strategic Area	41,960	106,960
Regional Strategic Area	41,960	94,950
Regional Centre	30,820	64,390
Regional Rural	20,980	47,420
Rural Large	15,735	37,925
Rural	10,490	28,430