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Ms Alex Johnston  
Secretariat  
Tasmanian Industrial Commission  
Per: tic@justice.tas.gov.au

Dear Ms Johnston

SUBMISSION RE COUNCILLOR ALLOWANCES REVIEW ISSUES PAPER

Please find below the Central Coast Council's response to the Councillor Allowances Review Issues Paper.

*Are there views on the requirement of all councils, regardless of size, to maintain all statutory roles and current functions of the Mayor, Deputy Mayor and Councillors? The Board is interested in receiving submissions on the value and the justification of the difference in allowance for Deputy Mayors in smaller councils.*

The roles and responsibilities of the Mayor, Deputy Mayor and Councillors are outlined in the *Local Government Act 1993*. These fundamental roles should be consistent among all councils and therefore used as the basis for determining the allowances.

The Central Coast Council area has a population of approximately 22,500 people and an annual operating budget of \$25 million, with assets in the order of \$533,418,224.

On average, the Mayor of Central Coast would put in 40-45 hours per week. It is the community's expectation that the Mayor attend most public events and dinners. Therefore the role of the Deputy Mayor is only different to the Councillors in that they are on standby to act in the position of Mayor in the Mayor's absence or if authorised in writing to do so by the Mayor. On average, the Mayor would have leave of up to four weeks per annum.

It is the view of this Council that the allowance for the Deputy Mayor is generous when taken into comparison with the allowance for Councillors. Outside of acting in the role of Mayor in the Mayor's absence, the Deputy Mayor would not average more than 10 hours per week which is consistent with the other Councillors.

*Categorisation of Councils – the Board is keen to hear whether this formula has proved to be appropriate.*

While there is not a perfect formula for categorisation of councils, the majority of Councillors expressed the view that it was the most appropriate formula to use. It takes into account that as the sizes of councils increase, there is more complexity in the roles and a greater level of responsibility in the amount of assets that a council has to manage. The Council is happy with where it sits within the current categories.

*Financial sustainability of allowances – Is the cost impact something the Board should take into account, and if so, how should it be addressed?*

The formula for the categorisation of councils has in some respect taken into consideration the difference in the cost of allowances (governance) for larger to smaller councils. The view of the Council is that there is a cost of doing business and this should not be valued as 'less' in a smaller council to a larger council. Therefore the Council does not prescribe to the view that further consideration should be given to smaller councils.

While the remuneration is an allowance and not a 'wage', the Commission should ensure that the allowances are set at a level whereby individuals are not discouraged by reason of financial cost from standing.

*Amalgamation and Shared Services – Do the changes identified above have any implications for allowances; if so, in what way?*

Amalgamations would have implications for councillor allowances, as amalgamated councils should then be re-categorised as per the formula applied from the effective date of amalgamation. In relation to shared services, we do not see any significant changes in the roles and responsibilities of councils.

*The Board would like feedback on the annual indexation of the allowance based on the Wage Price Index.*

While the Wage Price Index is not perfect, it appears to be the most appropriate index to use.

*Governance training and experience allowance*

The view of the majority of Councillors was that there should be no additional allowance provided to councillors who have undertaken governance training. The comment was made that all councillors are equal when sitting around the table and have the same roles, responsibilities and risks.

Comment was made that induction of councillors is very important and should be a requirement for all councillors after each election – both for new councillors and also as a refresher for re-elected councillors, as there are always legislative and policy changes during that time.

The Council would prefer that each council has to provide funds for councillor training which includes payment of course fees and accommodation to attend the training, providing it is relevant to the councillor's position.

While the Council believes that professional development is very important to help councillors to undertake their role as required under legislation, it is not of the view that it should be linked to allowances.


*Attraction of future candidates*

We wish to reinforce an earlier comment that while the remuneration is an allowance and not a 'wage', the Commission should ensure that the allowances are set at a level whereby individuals are not discouraged by reason of financial cost from standing.

*Conclusion*

Thank you for providing us with the opportunity to make comments in relation to your issues paper.

Yours sincerely



Sandra Ayton  
GENERAL MANAGER