

16 February 2018



**NORTHERN
MIDLANDS
COUNCIL**

Secretariat
Tasmanian Industrial Commission
Attention: Ms Alex Johnston

tic@justice.tas.gov.au

Dear Ms Johnston

I refer to the Councillor Allowances Review Issues Paper and in this regard provide the following comment from the councillors of the Northern Midlands Council.

- 1. 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.**

Council believes the roles of mayor, deputy mayor and councillor are clearly defined and the principal roles of the mayor and deputy warrant additional remuneration due to the increased responsibilities.

All Councils regardless of size should maintain all statutory roles and current functions of mayor, deputy mayor and councillors.

The deputy mayor has very much a secondary role to the mayor and a lesser value allowance is justified; however, there could be some scope to increase the allowance in times of any mayor's extended leave e.g. higher duties allowance equivalent to the mayor allowance in periods of leave when in excess of say 2 weeks.

- 2. The Board is keen to hear whether this formula has proved to be appropriate. Are there Councils that feel they are inappropriately categorised and, if so, why? Is there a case for any additional or fewer categories?**

Council is supportive of the retention of the current "Allowance Categories" as they believe the current categorisation is reasonable and satisfactory recognising the responsibilities of the mayor, deputy mayor and councillors as defined in the Local Government Act.

- 3. Is the cost impact something the Board should take into account, and if so, how should it be addressed?**

Council believes the current formula adequately remunerates Councillors and can be met within the current financial capacity of the Council.

P.O. Box 156
Longford 7301

Telephone (03) 6397 7303
Facsimile (03) 6397 7331
www.northernmidlands.tas.gov.au

4. Do the changes identified above have any implications for allowances; if so, in what way? Are there other changes to the role and function of local government impacting on this review?

Council supports that any person is now eligible to nominate as a candidate for the office of mayor or deputy mayor. The electorate will judge as to the suitability of a candidate.

The financial and asset management changes introduced in 2014 have had a positive impact on the roles of councillor, deputy mayor and mayor; strategic planning as it relates to finance and asset management as it stimulates discussion and engenders a long-range perspective for decision makers.

Long-term financial planning has allowed Council to align financial capacity with long-term service objectives, so that strategies can be developed to achieve long-term sustainability.

There is some effect by the changes identified but not considered significant enough to affect the current level of councillor allowances.

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

Council supports the annual indexation of the allowance based on the Wage Price Index, as it provides a fair and transparent method of adjustment.

Council believes that the Wage Price Index is the relevant and adequate index for councillor allowances; however, it questions whether the indexation should be applied from 1 October instead of 1 November as this would make payments much simpler for the majority of councillors wishing to be paid on a quarterly basis.

6. The Board would like submissions on;

- (a) Whether an additional allowance, the current reimbursement practice or other options should be provided to support councillors to undertake relevant governance training.**
- (b) Should there be mandatory governance training for all Councillors and/or a fixed budget allocation for other professional development requirements?**
- (c) How (if at all) should previous "recognised experience" be assessed, and**
- (d) Whether it is appropriate to offer an additional allowance for those councillors who have previous experience in governance related to local government?**

The current reimbursement practices are adequate and supported by Council.

Council does not support mandatory governance training for all councillors. Northern Midlands Council provides a budget allocation annually to support Council in the attendance of recognised training for the role, including seminars and conferences that are of benefit to the Council in fulfilling their role.

- (a) An additional allowance is not necessary; however, it is suggested that each Council should allocate an additional councillor Training / Professional Development budget each year of say no less than 10 percent of the total councillor allowances commitment.**

- (b) Council believes there should not be mandatory governance training for all councillors, however a fixed budget allocation for professional development is supported.
- (c) No need to assess 'recognised experience' but ensure induction and training/professional development program for councillors.
- (d) No – the wide range of experience of councillors is an asset and usually compliments the governance related to local government (whether previous experience in local government or relevant government training).

7. Whilst in overall terms the number of candidates comfortably exceeds the number of vacancies, is a ratio of approximately two candidates sufficient to provide robust representation of the municipal communities?

Secondly, there may be sufficient candidates overall, but are certain demographic categories significantly underrepresented, and is this a matter for concern? If this is the case, what may be the impediments to a diverse council?

It is considered that the number of candidates comfortably exceed the number of vacancies and sufficiently provides robust representation of the municipal communities. Should the representation not be sufficient there would be disruption in the community and a greater number of candidates would possibly result.

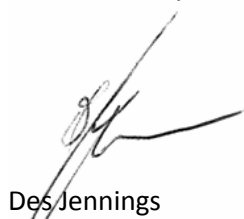
If a certain demographic category is significantly underrepresented and evident, council can seek input from that area and mitigate any concerns.

Superannuation – Councillor Allowances:

It is noted and supported that a one-off adjustment of 9% was added to the councillor allowance to compensate for the absence of superannuation.

Please accept Council's thanks for the opportunity to make this submission.

Yours sincerely _____



Des Jennings
GENERAL MANAGER