# MAYOR, DEPUTY MAYOR AND COUNCILLOR ALLOWANCES REMUNERATION ADJUSTMENT

Report Author: Coordinator Governance

Responsible Officer: Director Corporate Services

Ward(s) affected: (All Wards);

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

### CONFIDENTIALITY

The item is to be considered at a Council meeting that is open to the public.

## **SUMMARY**

This report summarises the recent annual adjustment to allowances payable to Mayors, Deputy Mayors and Councillors which are set by the Victorian Independent Remuneration Tribunal (the Tribunal). The consolidated Determination has been included in Attachment 1.

The revised allowances payable to the Mayor, Deputy Mayor and Councillors takes effect 1 July 2023.

#### RECOMMENDATION

## **That Council**

- 1. Receives and notes the Consolidated Tribunal Determination No. 01/2022 as attached to this report.
- 2. Note the Mayor, Deputy Mayor and Councillor revised allowances have been applied from 1 July 2023.

## **RELATED COUNCIL DECISIONS**

At its meeting of 26 April 2022 Council noted the initial determination set by the Tribunal.

#### DISCUSSION

# Background

On 7 March 2022, in accordance with section 23A of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic)* (VIRTIPS Act), the Tribunal made the Allowance Payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022 (the Determination).

The Determination applies to all Mayors, Deputy Mayors and Councillors (Council members) in all Victorian councils.

The Tribunal is required to make annual adjustments to the values of allowances. On 30 June 2023, the Tribunal made the Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Annual Adjustment Determination 2023. This Determination adjusted the values of allowances with effect from 1 July 2023.

The Tribunal determined a 2 per cent increase to the values of the base allowances payable to Mayors, Deputy Mayors and Councillors. A 2 per cent increase has also been applied to the base allowance values which take effect on:

- 18 December 2023
- 18 December 2024 (Mayors and Deputy Mayors only)
- 18 December 2025 (Mayors and Deputy Mayors only).

Allowance	Commencing 1 July 2023	Commencing 18 December 2023	Commencing 18 December 2024	Commencing 18 December 2025
Mayor	\$126,958	\$130,390	\$133,822	\$137,253
Deputy Mayor	\$63,480	\$65,195	\$66,910	\$68,626
Councillors	\$38,316	\$39,390	To be determined	To be determined

The Determination also increased the value of the remote area travel allowance by 2 per cent.

A consolidated version of the Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022, incorporating changes made by

the 2022 and 2023 Annual Adjustment Determinations, is included in Attached 1 to this report for reference.

# Recommended option and justification

It is recommended that the Council note the annual adjustment to allowances, the first of which takes effect 1 July 2023.

This procedure is mandated by law and was introduced in accordance with the *Local Government Act of 2020*. It aims to ensure parity and an impartial outcome in the administration of Councillor allowances.

#### **FINANCIAL ANALYSIS**

Councillor and Mayoral allowances are included in Council's annual operational budget and have been included in the current 2023-2024 Council approved budget.

#### APPLICABLE PLANS AND POLICIES

The payment of allowances supports the Mayor, Deputy Mayor and Councillors to perform their respective roles, which enables them to contribute to the strategic direction of Council through the development and review of key strategic documents, including the Council Plan.

No regional, state or national plans and policies are applicable to the recommendation in this report.

#### **RELEVANT LAW**

The review of allowances has been undertaken in accordance with section 39 of the Local Government Act 2020 and section 23A of the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic).

## SUSTAINABILITY IMPLICATIONS

There are no economic, social or environmental implications arising from the recommendation in this report.

#### **COMMUNITY ENGAGEMENT**

No community engagement has been undertaken by Council in relation to this report.

In accordance with section 24(1) of the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic)*, the Tribunal published a notice indicating its intention to make a Determination and invited submissions. Three submissions in total were received and can be accessed via the Victorian Government Website or by using this link:

https://www.vic.gov.au/submissions-2023-local-government-annual-adjustment-determination.

# **COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT**

No collaboration with other councils, Government, or statutory bodies was sought by Council.

The Tribunal considers the financial position and fiscal strategy of the State of Victoria and considers trends as informed by the Victorian and federal budgets. The Tribunal also includes the latest key economic indicators published by the Australian Bureau of Statistics to ensure the outcomes of the determination align with current trends and can withstand future economic trends.

#### **RISK ASSESSMENT**

The review of allowances has been undertaken in accordance with section 39 of the Local Government Act 2020 and section 23A of the Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic). No material risks arise from the recommendation in the report as the review has followed a statutory process and the financial impact has been included in Council's 2023-24 adopted budget.

# **CONFLICTS OF INTEREST**

In accordance with regulation 7(1)(g) of the Local Government (Governance and Integrity) Regulations 2020, Councillors are prescribed an exemption from having a conflict of interest on matters relating to 'the payment of allowances to the Mayor, Deputy Mayor or Councillors as provided for under section 39(6) of the Act".

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

#### ATTACHMENTS TO THE REPORT

1. Determination No. 01/2022, incorporating changes made by the 2022 and 2023 Annual Adjustment Determinations