

8.14 REVIEW OF ALLOWANCES FOR MAYOR AND COUNCILLORS

MINUTE NO. 274

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REVIEWED BY: Director Corporate and Business Services

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SUMMARY:

Section 74(1) of the Local Government Act 1989 provides for each Council to review and determine Mayoral and Councillor allowances within six months after each general election or by the next 30 June, whichever is later. The allowances fixed become payable for the next four financial years subject to any variations or adjustments by the Minister for Local Government.

The current range of allowances for the office of Mayor and Councillor took effect from 27 October 2012 (in accordance with the Department of Planning and Community Development (DPCD) Circular 39/2012 dated 26 October 2012). A three-level structure for allowances is based on Council population and total revenue. Darebin City Council is a Category 3 Council in the structure, and allowances up to \$26,843 per annum for Councillors and up to \$85,741 per annum for the Mayor apply. In addition, an amount the equivalent of the superannuation guarantee contribution (currently 9%) applies.

As per the DPCD Circular 09/2013 dated 14 March 2013, payment of the superannuation guarantee contribution will increase from 1 July 2013 in accordance with the following table:

Year Commencing	Percentage
1 July 2013	9.25
1 July 2014	9.5
1 July 2015	10
1 July 2016	10.5
1 July 2017	11
1 July 2018	11.5
1 July 2019	12

This report recommends that Council gives formal notice of its intention to set the Mayoral allowance at \$85,741 per annum and Councillor allowances at \$26,843 per annum plus an amount equivalent to the superannuation guarantee contribution (currently 9%) for the four-year term of office of the Council.

CONSULTATION:

Chief Executive

COUNCIL RESOLUTION

MOVED: Cr. V. Fontana
SECONDED: Cr. S. Tsitas

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THAT:

- (1) Public Notice be given, in accordance with sections 74 and 223 of the Local Government Act 1989, of Council's intention to:
 - Set the Mayoral allowance at \$85,741 per annum plus an amount equivalent to the superannuation guarantee contribution (currently 9%) for the 2013/2014, 2014/2015, 2015/2016 and 2016/2017 financial years.
 - Set Councillor allowances at \$26,843 per annum plus an amount equivalent to the superannuation guarantee contribution (currently 9%) for the 2013/2014, 2014/2015, 2015/2016 and 2016/2017 financial years.
- (2) Council note that the allowances set by the Council will be subject to any variations or adjustments made by the Minister for Local Government during the four-year period.
- (3) Council note that the payment of the superannuation guarantee contribution will increase from 1 July 2013 in accordance with the following table:

Year Commencing	Percentage
1 July 2013	9.25
1 July 2014	9.5
1 July 2015	10
1 July 2016	10.5
1 July 2017	11
1 July 2018	11.5
1 July 2019	12

- (4) Any person who makes a written submission in relation to the proposed allowances and requests to be heard in support of the written submission, be heard by Council's Hearing of Submissions Committee at a meeting to be held in the Council Chamber, Darebin Civic Centre, 350 High Street Preston at 7.00 pm on 11 June 2013.

CARRIED

REPORT

INTRODUCTION AND BACKGROUND

Section 74 of the Local Government Act 1989 provides for each Council to review and determine Mayoral and Councillor allowances within six months after each general election or by the next 30 June, whichever is later and the allowances fixed become payable for the next four financial years, subject to any variations or adjustments made by the Minister for Local Government.

The allowances payable for Darebin Councillors are:

- Councillors - \$26,843 per annum plus superannuation guarantee contribution
- Mayor – \$85,741 per annum plus superannuation guarantee contribution.

COPY**ISSUES AND DISCUSSION****Determining the Allowance**Framework

As a Category 3 Council, Darebin City Council is to determine allowances within the following ranges:

Councillor	\$11,204 to \$26,843 per annum
Mayor	up to \$85,741 per annum

The allowances fixed will apply for the four-year term of the Council. The allowances can be varied if the Minister for Local Government changes the range of allowances that apply to the City of Darebin and the Council undertakes a further review and public consultation process. The Council is also required to apply any adjustments determined by the Minister having regard to movements in the remuneration of executives within the meaning of the Public Administration Act 2004.

Guidelines

The three-category model is based on Council population and revenue. Population size has been regarded as a reasonable indicator of the representational workload involved in a Councillor's role, and total revenue as an indicator of the size and complexity of the governance role.

Darebin complexity indicatorsCommunity

The City of Darebin is one of the most diverse communities in Victoria. It includes one of the largest populations of Aboriginal and Torres Strait Islanders in all metropolitan municipalities. From the 2011 ABS Census, 29% of people in the City of Darebin come from countries where English is not the first language and 39% speak a language other than English at home.

In the City of Darebin, from 2006 to 2011 the increase in the number of non-religious persons experienced the greatest change compared to non-Christians and Christians. People with no religion now make up more than 25.7% of the total population. Nearly 15% of residents are over 65 years old and approximately 20% of residents have some form of disability, including 5.9% with profound disability that requires assistance for core activities. Of residents aged 15 years and older, 6.2% are unemployed and looking for work, which is higher than the Greater Melbourne rate of 5.5% in 2011. Additionally, 23.7% of households were low-income households, earning less than \$600 per week.

The diversity challenge affects every program and service delivered by the Council. Council services need to meet the varied needs of the community, and at the same time ensure that the standard of service is not diminished due to the difficulties involved in tailoring services to specific recipients.

Special needs groups within the community require careful attention in service planning as they are often heavily reliant on Council services. Tailoring services to meet special needs and ensuring that all services are inclusive and accessible, is critical to effective service delivery.

Environment and Infrastructure

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Bordered by the Darebin and Merri Creeks, the City of Darebin contains a diverse range of open spaces, ranging from small, local parks up to major regional parklands such as the All Nations Park in Northcote and Bundoora Park in Bundoora. Added to this are environmentally sensitive areas such as the Central Creek Grasslands, the wildlife reserve at La Trobe University and the Leamington Street Wetlands.

In addition, the City of Darebin owns, controls, manages or maintains an extensive range of physical assets. These include over 50 kms of roads, 1013 kms of footpath, 77 kms of ROW, 24.8 km of shared path, 13 road bridges, 618,621 metres of storm water pipe, 25,513 pits and 12 gross pollutant traps, 333 buildings, 930 hectares of parkland including creeks, Bundoora Park, sporting grounds and open space, 43,000 street trees and 40,000 trees in the Parks. The increasing urban densities throughout the City are placing an increased burden on city infrastructure.

Roads in Darebin carry significant numbers of vehicle movements, and increasingly carry the burden of traffic that is travelling through the municipality. A number of major roads cut through Darebin, and form part of a road network servicing the rapidly growing northern corridor of Melbourne.

Council has developed a comprehensive Transport Strategy and is a recognised leader in transport planning and travel behaviour change programs.

The City of Darebin has become a leader in promotion and facilitation of sustainable community behaviour and in integrating environmental strategies into its own operations. Current Council strategies include:

- Darebin Environment Policy
- Waste Management Strategy
- Climate Change Action Plan for Council Operations
- Community Climate Change Action Plan
- Climate Change and Peak Oil Adaptation Plan

- Sustainable Water strategy and its components: including the Stormwater Management Plan and Sustainable Water Use Plan
- Waste Management Strategy
- Darebin Litter Plan 2011-2014
- Environmental Purchasing Code
- Biodiversity baseline report
- Food Security Policy.



Governance and Representation

The City of Darebin, with several distinct communities has an active and demanding electorate. Councillors are well exposed to local community scrutiny of their activities and decision-making and with three large wards Councillors have a significant and onerous representation role.

The Darebin community has significant expectations on the office of Mayor resulting in extensive time commitments in attending community functions in addition to the advocacy, policy development and regular decision-making forums.

Darebin Council (Mayor and Councillors) has in place a broadly based consultation and decision-making program with fortnightly Council meetings and Planning Committee meetings, and a host of specific purpose community forums and ceremonial events.

Council has four Standing Committees and more than twenty-five Community Committees advising Council on policy matters, projects and management of Council facilities. Councillors represent the Council on a range of statewide, metropolitan, regional and local committees and organizations.

Regional Factors

Darebin plays a significant role in the Northern region of Melbourne. The Northland regional shopping and homemaker centre is a major attraction within and beyond the region and, of course, places trading pressure on other commercial centres in Preston, Thornbury, Northcote, Fairfield and Reservoir. There are many Government regional centres, training, education and health facilities including La Trobe University, Northern Melbourne Institute of Technology and the PANCH Health Service.

Industry is still an important component of the regional economy although manufacturing has declined over recent decades.

Parks and recreational facilities of a regional significance include Darebin and Merri Creeks, Edwardes Park Lake, Bundoora Park and All Nations Park.

Advocacy and representation

In addition to the direct service delivery issues and impacts described in the previous paragraphs, the City of Darebin faces a number of challenges which affect the health and well-being of its residents. These broader issues are often outside the control and resource capacity of the Council and therefore require a "whole of community" approach incorporating research and policy development, broad collaboration and advocacy on behalf of the Darebin community.

Community health and safety, environment and amenity, traffic and transport, economic development and social issues currently/recently being addressed by the Council include:

- Community Chef
- Neighbourhood renewal program
- Alcohol related issues
- Women's policy and gender equity
- Affordable housing issues
- Anti-gambling advocacy
- Public Education Advocacy
- Anti-racism Strategy
- Equity and Inclusion Policy & Action Plan
- Graffiti Management Strategy
- Community Safety Strategy
- Community Health Promotion.

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POLICY IMPLICATIONS

Environmental Sustainability

The environmental issues and challenges referred to in the report have an impact on the advocacy and community leadership roles of the Mayor and Councillors.

Human Rights, Equity and Inclusion

The social inclusion and diversity issues and challenges referred to in the report have an impact on the advocacy and community leadership roles of the Mayor and Councillors.

Other

As outlined in the report, the determination of Mayoral and Councillor allowances is a statutory requirement for the Council.

FINANCIAL AND RESOURCE IMPLICATIONS

The allowances proposed in this report have been in effect since 27 October 2012 and maintain the status quo for Darebin Councillors.

The proposed allowances have been included in the 2013/2014 Proposed Budget.

CONCLUSION

It is considered that Darebin City Council, with the diverse and complex service, social and advocacy issues outlined in this report, continues to warrant the maximum allowance available to Category 3 Councils within the policy framework adopted by the Victorian Government.

FUTURE ACTIONS

Under the policy framework Council is required to advertise the proposed allowances in the major newspapers circulating in the municipality and to demonstrate that it has taken the response into account in confirming or varying the proposed allowances.

As in previous years, the consultation process will be run in conjunction with the Budget process.

The next steps are to give public notice of the proposed allowances in The Age and Preston / Northcote Leader newspapers and then consider any submissions received.

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DISCLOSURE OF INTERESTS

Section 80C of the Local Government Act 1989 requires members of Council staff and persons engaged under contract to provide advice to Council to disclose any direct or indirect interest in a matter to which the advice relates.

The Officer reviewing this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.

RELATED DOCUMENTS

Darebin City Council minutes 12 November 2012