

## LOCAL GOVERNMENT REMUNERATION TRIBUNAL

### REPORT AND DETERMINATION PURSUANT TO SECTION 242 OF THE LOCAL GOVERNMENT ACT 1993 – APPOINTED COUNCILLORS AND CHAIRPERSON FOR CENTRAL DARLING SHIRE COUNCIL.

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#### Request for determination

1. On 23 May 2025, the *Local Government Amendment (Rural and Remote Councils) Act 2024* (LG Amendment Act) came into effect. The LG Amendment Act amended the *Local Government Act 1993* (LG Act) by including Schedule 11, Rural and Remote Councils. Schedule 11 allows the Minister responsible for the LG Act to recommend a council be designated as a 'rural and remote council', thereby requiring some councillors to be appointed by the Minister responsible for the LG Act, with one of those councillors designated as the new chairperson of the council.
2. The Minister for Local Government has portfolio responsibility for the administration of the LG Act.
3. In correspondence dated 6 June 2025, the Minister for Local Government the Hon. Ron Hoenig MP, pursuant to section 242 of the LG Act, requested the Local Government Remuneration Tribunal (the Tribunal), to, pursuant to clause 12(2)(b), Schedule 11, determine the maximum and minimum fees for Appointed Councillors and the Chairperson for Central Darling Shire Council, immediately following Council's election.

#### Responsibilities of Appointed Councillors and Chairperson for Central Darling Shire Council

4. The *Local Government (General) Amendment (Rural and Remote Councils) Regulation 2025* commenced on 23 May 2025. This regulation amended the *Local Government (General) Regulation 2021* (LG Regulation) to designate Central Darling Shire Council as a 'rural and remote council' and established that there would be 3 councillors appointed by the Minister responsible for the LG Act, in addition to one elected councillor per ward. Central Darling Shire Council has 3 wards.
5. Clause 9(2) of Schedule 11 of the LG Act requires that the Minister responsible must, as far as is reasonably practical, ensure that appointed councillors (collectively) have the following attributes:
  - Experience in local government administration, financial management and governance

- The ability to represent the interests of the Aboriginal population of the area
  - Experience in emergency management
  - Experience in conservation, environmental sustainability and climate change adaptation.
6. The appointed chairperson for a rural and remote council also has the same statutory responsibilities as a mayor, as per clause 10(6) of Schedule 11 of the LG Act.

### **Special Determination process**

7. As part of the Special Determination process, the Tribunal wrote to the General Manager of Central Darling Shire Council and the President of Local Government NSW (LGNSW) inviting a submission. Both parties provided a submission.
8. The Tribunal acknowledges and thanks all parties for their submissions.

### **Submissions received**

9. The Administrator and the General Manager of Central Darling Shire Council provided a joint submission for the Special Determination into the remuneration for the Appointed Councillors and Chairperson for Central Darling Shire Council.
10. The submission proposes that the remuneration structure for the Appointed Councillor and Chairperson of Central Darling Shire Council should consider the additional travel required for Appointed Councillors and Chairperson, as well as participation in conferences and meetings with various committees, organisation and ministers.
11. The submission proposes two sets of annual fees:
- One for Councillors and Chairperson appointed from the shire, based on the maximum annual fees for councillors and mayors respectively set in the 2025 LGRT Annual Determination for Rural Councils
  - One for Councillors and Chairperson appointed from outside the shire, with a fee \$20,000 to \$30,000 higher than the maximum amount set by the 2025 LGRT Annual Determination, to compensate for the additional expenses due to travel to the area.
12. To support a transition to a fully elected council structure, the submission proposes an allowance for the role of Deputy Chairperson. The proposed allowance would be for carrying out responsibilities typically undertaken by that of the Chairperson. This

allowance would be in tandem with an equivalent reduction in the annual fee for the Appointed Chairperson.

13. It is not within the Tribunal's remit to determine a fixed allowance for a 'Deputy Chairperson'. Therefore, the Tribunal is unable to introduce any remuneration structure that would include a distinct independent fee for the position of 'Deputy Chairperson'.
14. However, the Tribunal notes section 249(5) of the LG Act which provides for a council to determine to pay a deputy mayor, if there is one, a fee for acting in the office of the mayor. The amount determined must be deducted from the mayor's annual fee. This section also applies to a Deputy Chairperson in a 'rural and remote council', as per clause 11(6) of Schedule 11 of the LG Act. It would be a matter for Council to determine if they wish to make such an arrangement. As the LG Act does not allow the delegation of the fixing of a fee, any decision for payment should either be by agreement between the Chairperson and the Deputy Chairperson, or determined by resolution on a case by case basis.
15. Notwithstanding the above, section 252 of the LG Act provides that the council should have a policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the mayor, the deputy mayor, and the other councillors in relation to discharging the functions of civic office.
16. The President of LGNSW provided a submission for the special determination into the appointed chairperson and councillors for Central Darling Shire Council on behalf of LGNSW.
17. LGNSW submits that the appropriate level of remuneration for the Appointed Councillors and Chairperson should be consistent with the remuneration for their elected counterparts. The submission suggests that the scope of duties for the Appointed Councillors and Chairperson and their elected counterparts is substantially the same. LGNSW notes that the Appointed Councillors and Chairpersons have the same duties and functions under the LG Act, to their elected counterparts.
18. The submission further argues against remunerating Appointed Councillors and Chairperson, in compensation for additional costs expected. In particular, LGNSW notes that Elected Councillors are likely to incur additional costs, particularly with standing and running for election. Therefore, they argue that it would be illogical to remunerate the

councillors who are elected by their community any less than councillors appointed by the NSW Government.

19. Finally, the submission notes that unequal remuneration between elected and appointed councillors may adversely impact the purpose of the 'rural and remote council' designation. The submission argues that unequal remuneration may devalue the local democratic process by which councillors are elected and create inequities and tension between Elected and Appointed Councillors.

### **Consideration of maximum and minimum annual fees**

20. The Tribunal has considered a range of factors in determining the maximum and minimum fees payable to the Appointed Councillors and Chairperson for Central Darling Shire Council. These factors include:

- The previous Councillor and Mayor arrangements for Central Darling Shire Council, applying the 2025 LGRT Annual Determination
- Roles similar to a councillor or mayor in the NSW Government Boards and Committees Framework. It should be noted that the remuneration for NSW Government Boards and Committees has been frozen since 2012 and therefore have also been considered based on the increases provided by the Tribunal until the 2025 LGRT Annual Determination
- Requirements of the role in line with legislative provisions
- Equal remuneration principles
- Submissions received
- The range of the maximum and minimum fees.

21. Those factors led to a range of scenarios from which the ultimate determination was derived. The Tribunal recognised the important role the Chairperson would play in guiding the Council through a return to financial sustainability, as well as the stability, expertise and diversity of views appointed Councillors will bring to the Governing Body.

### **Maximum and minimum fees**

22. The Tribunal is cognisant from submissions over recent years in its determinations of the need to normalise the range of the maximum and minimum payments, having regards to its statutory obligations.

23. It would be a matter for the council, based on this Special Determination, to determine a fee for Elected Councillors.

### **Fees for appointed Councillors**

24. The Tribunal determines that the range for the annual minimum and maximum fee for Appointed Councillors is set at \$13,830 to \$13,930 per annum.

### **Fees for appointed Chairperson**

25. The Tribunal determines that the range for the annual minimum and maximum fee for the Appointed Chairperson is set at \$72,080 to \$72,180 per annum.

### **Conclusion**

26. The Tribunal's determination has been made with the assistance of the Assessors, Ms Kylie Yates and Mr Brett Whitworth PSM.
27. The determination below sets out the minimum and maximum amount of fees to be paid to Appointed Councillors, and the Chairperson of Central Darling Shire Council, as per clause 12 (2) (b), Schedule 11 of the LG Act.

## Determination

Pursuant to section 242 of the LG Act, the Tribunal determines the following maximum and minimum amount of fees to be paid to the Appointed Councillors, and Appointed Chairperson of Central Darling Shire Council, effective from date of appointment.

Pursuant to section 249 of the LG Act, the annual fee for the appointed chairperson is in addition to the annual fee that is paid to the appointed chairperson as an appointed councillor.

Central Darling Shire Council	Minimum	Maximum
Appointed Chairperson	\$72,080	\$72,180
Appointed Councillor	\$13,830	\$13,930



Viv May PSM

**Local Government Remuneration Tribunal**

**Date:** 17 September 2025