

REPORT

and

DETERMINATIONS

Of

THE LOCAL GOVERNMENT REMUNERATION

TRIBUNAL

Under

SECTIONS 239 AND 241

of the

LOCAL GOVERNMENT ACT 1993

13 April 2005

REPORT:

Pursuant to Section 241 of the *Local Government Act 1993* (the Act) the Local Government Remuneration Tribunal hereby determines the categories for councils, county councils and mayoral officers and the maximum and minimum amount of fees to be paid during the period 1 July 2005 to 30 June 2006 to mayors and councillors of councils as well as chairpersons and members of county councils.

In undertaking the 2005 review the Tribunal sought submissions from councils and the Local Government and Shires Associations on both the categories of councils and the minimum and maximum level of fees payable to councillors and mayors. This year in particular, the Tribunal indicated its intention to undertake a review of the categories of councils which were initially determined in 1995.

The Minister for Local Government, the Hon Tony Kelly MLC, has advised the Tribunal that the Department of Local Government will undertake a review of the expenses policies adopted by councils with a view to guidelines being developed. Councils are currently required, pursuant to section 252 of the Act, to adopt a policy for the payment of expenses to mayors, deputy mayors and other councillors.

As the issues surrounding the payment of fees and expenses are related, the Minister has requested that the Tribunal defer its review of categories until such time as the Department has completed its review. One option being considered is the central regulation of expenses and whether different categories of councils should have variable expense structures.

Underpinning the category structure developed by the Tribunal is the principle that like sized councils receive comparable fee levels to perform the roles and responsibilities for which they were elected.

Expenses policies are, under the legislation, a matter for each council. There is no suggestion that this should change. What is at issue, however, is that under the current arrangements expenses policies adopted by councils within the same category may differ significantly in quantum and scope.

The proposed review provides the opportunity for the Tribunal to have regard to the impact, if any, of councils' expense policies on the current category and fee structures.

On this basis, and after consultation with the Assessors, the Tribunal has agreed to defer making any changes to the categories of councils for 2005/2006. In addition, the Tribunal has deferred its decision to visit and meet with councils until the review is complete, which is expected to be later this year. The Tribunal would like to thank those councils and the Associations who provided information in regard to the review of categories. The Tribunal will continue its investigations with a view to finalising this matter as part of the 2006/2007 annual review process. Submissions already received will be considered again at that time.

In the light of the review of the expenses policy the Tribunal has considered the quantum of fees for 2005/2006. It has been determined to defer any changes to the fee structure until the results of the Government's inquiry are available.

Local Government Remuneration Tribunal

(The Honourable Charles L Cullen QC)

Dated: 13 April 2005

**DETERMINATION OF CATEGORIES OF COUNCILS AND COUNTY COUNCILS
FOR 2005/2006**

Category S1 (1 Council)	Sydney
Category S2 (3 Councils)	Newcastle Parramatta Wollongong
Category S3	County Councils
Category S4 (engaged in significant commercial activities)	County Councils

Category 1A (2 Councils)

Blacktown
Penrith

Category 1. (16 Councils)

Bankstown	Liverpool
Baulkham Hills	North Sydney
Campbelltown	Randwick
Fairfield	Ryde
Gosford	Sutherland
Hornsby	Warringah
Hurstville	Willoughby
Lake Macquarie	Wyong

Category 2. (21 Councils)

Ashfield	Lane Cove
Auburn	Leichhardt
Botany	Manly
Burwood	Marrickville
Camden	Mosman
Canada Bay	Pittwater
Canterbury	Rockdale
Holroyd	Strathfield
Hunters Hill	Waverley
Kogarah	Woollahra
Ku ring Gai	

Category 3. (32 Councils)

Albury City	Greater Taree
Armidale Dumaresq	Griffith
Ballina	Hastings
Bathurst Regional	Hawkesbury
Bega Valley	Kempsey
Blue Mountains	Lismore
Broken Hill	Maitland
Byron	Orange
Cessnock	Pt Stephens
Clarence Valley	Shellharbour
Coffs Harbour	Shoalhaven
Dubbo	Tamworth Regional
Eurobodalla	Tweed Heads
Gt Lakes	Wagga Wagga
Goulburn Mulwaree	Wingecarribee
Queanbeyan	Wollondilly

Category 4. (33 Councils)

Bellingen	Moree Plains
Cabonne	Murray
City of Lithgow	Muswellbrook
Cobar	Nambucca
Cooma-Monaro	Narrabri
Cootamundra	Narrandera
Cowra	Parkes
Deniliquin	Richmond Valley
Forbes	Singleton
Palerang	Snowy River
Gilgandra	Tumut
Glen Innes Severn	Walgett
Gunnedah	Wellington
Inverell	Wentworth
Kiama	Yass Valley
Leeton	Young
Mid-Western Regional	

Category 5. (44 Councils)

Balranald	<u>D</u> ungog	Narromine
Berrigen	Gloucester	Oberon
Bland	Greater Hume	Temora
Blayney	Gundagai	Tenterfield
Bogan	Guyra	Tumbarumba
Bombala	Gwydir	Upper Hunter
Boorowa	Harden	Upper Lachlan
Bourke	Hay	Uralla
Brewarrina	Jerilderie	Urana
Carrathool	Junee	Wakool
Central Darling	Kyogle	Walcha
Conargo	Lachlan	Warren
Coolamon	Liverpool Plains	Warrumbungle
Coonamble	Lockhart	Weddin
Corowa	Murrumbidgee	

TOTAL GENERAL PURPOSE COUNCILS 152

Category S3 (10 Councils)

Castlereagh – Macquarie	New England Weeds
Central Murray	Richmond River
Far North Coast	Southern Slopes
Hawkesbury River	Upper Hunter
Mid Western	Upper Macquarie

Category S4 (6 Councils)

Central Tablelands	MidCoast
Cudgegong	Riverina Water
Goldenfields Water	Rous

TOTAL COUNTY COUNCILS 16

DETERMINATION OF ANNUAL REMUNERATION FEES FOR COUNCILLORS AND MAYORS

Pursuant to s.241 of the Local Government Act 1993, the annual fees to be paid in each of the categories determined under s.234 to Councillors, Mayors, members and chairpersons of County Councils during the period 1 July 2005 to 30 June 2006 are determined as follows:

	Councillor/Member Annual Fee		Mayor/Chairperson Additional Fee*	
	Minimum	Maximum	Minimum	Maximum
Category 5	5,875	6,460	6,240	10,615
Category 4	5,875	7,750	6,240	16,920
Category 3	5,875	12,925	12,490	28,215
Category 2	5,875	12,925	12,490	28,215
Category 1	8,810	16,450	18,730	43,705
Category 1A	11,745	19,385	24,970	56,505
S4	1,175	6,460	2,500	10,615
S3	1,175	3,875	2,500	7,055
S2	11,745	19,385	24,970	56,505
S1	17,625	25,850	107,840	141,900

*This fee must be paid in addition to the fee paid to the Mayor/Chairperson as a Councillor/Member (s.249(2)).

Local Government Remuneration Tribunal

(The Honourable Charles L Cullen Q.C.)

Dated: 13 April 2005