

LOCAL GOVERNMENT REMUNERATION TRIBUNAL

Report and Determination on the categorisation of the Bayside Council pursuant to Section 242 of the *Local Government Act 1993*.

MINISTER'S DIRECTION

1. On 10 August 2020, the Local Government Remuneration Tribunal (the Tribunal) received a direction from the Minister for Local Government, the Hon Shelley Hancock MP, pursuant to section 242 of the *Local Government Act 1993* (LG Act) to review the categorisation of Bayside Council.

2. Section 242 of the LG Act provides that:
 - (1) *The Minister may direct the Remuneration Tribunal to make a determination as to whether, and (if so) how, a determination already made should be altered in relation to such councillors or mayors as are specified in the direction.*
 - (2) *Such a determination must be made before the date specified for the purpose in the Minister's direction.*
 - (3) *In making the determination, the Remuneration Tribunal is to take into consideration such matters as are specified in the Minister's direction and such other matters as the Remuneration Tribunal thinks fit.*

3. The Minister's direction requests that the Tribunal make a special determination on whether its annual determination of 10 June 2020 in relation to Bayside Council should be altered. In making the special determination, the Tribunal is to take into consideration any relevant data from the Australian Bureau of Statistics (ABS) on the non-resident working population of the former Botany Bay and Rockdale local government areas and any such other matters as the Tribunal thinks fit.

2020 ANNUAL DETERMINATION

4. The Tribunal is required to determine the categories of councils and mayoral offices at least once every 3 years in accordance with section 239 of the LG Act. The Tribunal undertook a review of the categories and the allocation of councils into each of those categories as part of the 2020 review.

5. In undertaking that review the Tribunal examined a range of statistical and demographic data and considered the submissions of councils and Local Government NSW. The Tribunal determined to retain a categorisation model which differentiates councils primarily on the basis of their geographic location, and other factors including population, the sphere of the council's economic influence and the degree of regional servicing.
6. For the Metropolitan group the Tribunal retained the existing categories but amended the population criteria applicable to Metropolitan Large and Metropolitan Medium categories. The Tribunal found that there was a strong case to recognise the impact on councils of serving significant numbers of non-resident workers. The amended population criteria for Metropolitan Large and Metropolitan Medium now provide for councils with a non-resident working population of 50,000 or above to move to another category if their combined resident and non-resident working population exceeds the minimum population threshold. The criteria for Metropolitan Medium and Metropolitan Large was amended as follows:

Metropolitan Large

Councils may also be categorised as Metropolitan Large if their residential population combined with their non-resident working population exceeds 200,000. To satisfy this criteria the non-resident working population must exceed 50,000.

Metropolitan Medium

Councils may also be categorised as Metropolitan Medium if their residential population combined with their non-resident working population exceeds 100,000. To satisfy this criteria the non-resident working population must exceed 50,000.

CATEGORISATION OF BAYSIDE COUNCIL

7. In determining which councils were eligible to move into another category, based on their combined resident and non-resident population, the Tribunal relied on data from the 2016 Census conducted by the ABS. Specifically, the number of workers not residing in each local government area.
8. The ABS data did not include a reference to Bayside Council as it was not formed at the time of the census collection on 9 August 2016. Bayside Council

was created on 9 September 2016 following the amalgamation of the former Rockdale City and Botany Bay local government areas.

9. The ABS data does however include data on the number of non-resident workers in the Rockdale and Botany Bay local government areas. To ensure that Bayside is not disadvantaged in respect of its categorisation, the Tribunal finds that it is appropriate to aggregate the data from Rockdale and Botany Bay in considering the number of non-resident workers for Bayside Council.

10. The ABS data indicates that the non-resident working populations of the former local government areas of Botany Bay (46,366) and Rockdale (26,404) together comprise a total non-resident working population of 72,770. When added to the residential population of Bayside Council of 178,396 (as of 30 June 2019), Bayside Council's combined resident and non-resident working population is 251,166. Having regard to this data Bayside Council is eligible for re-categorisation as "Metropolitan Large" as it meets the relevant criteria, being a combined resident and non-resident population in excess of 200,000 with a minimum non-resident working population criteria of 50,000.

11. On that basis, this special determination will amend the annual determination of 2020 to categorise Bayside Council as Metropolitan Large for remuneration purposes with effect from 1 July 2020.

DETERMINATION

Pursuant to section 242 of the *Local Government Act 1993* the Tribunal determines that Bayside Council shall be re-categorised as Metropolitan Large for remuneration purposes with effect from 1 July 2020.

Table 1 of the 2020 annual determination is amended as follows to reflect this change:

Table 1: General Purpose Councils - Metropolitan

Principal CBD (1)	Major CBD (1)
Sydney	Parramatta

Metropolitan Large (12)
Bayside
Blacktown
Canterbury-Bankstown
Cumberland
Fairfield
Inner West
Liverpool
Northern Beaches
Penrith
Ryde
Sutherland
The Hills

Metropolitan Medium (8)
Campbelltown
Camden
Georges River
Hornsby
Ku-ring-gai
North Sydney
Randwick
Willoughby

Metropolitan Small (8)
Burwood
Canada Bay
Hunters Hill
Lane Cove
Mosman
Strathfield
Waverley
Woollahra

The Local Government Remuneration Tribunal

(Signed)

Dr Robert Lang

Dated: 17 August 2020