

**WESTERN AUSTRALIA**  
**SALARIES AND ALLOWANCES ACT 1975**  
**DETERMINATION OF THE**  
**SALARIES AND ALLOWANCES TRIBUNAL**  
**ON LOCAL GOVERNMENT ELECTED COUNCIL MEMBERS**

**Pursuant to Section 7(B)**

**June 2014**

**PREAMBLE**

1. Section 7B(2) of the *Salaries and Allowances Act 1975* ('the SA Act') requires the Salaries and Allowances Tribunal ('the Tribunal'), at intervals of not more than twelve months, to inquire into and determine -
  - a. the amount of fees, or the minimum and maximum amounts of fees, to be paid under the *Local Government Act 1995* ('the LG Act') to elected council members for attendance at meetings;
  - b. the amount of expenses, or the minimum and maximum amounts of expenses, to be reimbursed under the LG Act to elected council members; and
  - c. the amount of allowances, or the minimum and maximum amounts of allowances, to be paid under the LG Act to elected council members.

**BACKGROUND**

2. Following proclamation of relevant sections of the *Local Government Amendment Act 2012* on 8 February 2013, the Tribunal was empowered to determine certain payments to be made or reimbursed to elected council members with effect from 1 July 2013.
3. Sections 5.98 to 5.100 of the LG Act were also amended with effect from 1 July 2013 to complement changes to the SA Act.
4. The legislation entitles elected council members to claim fees, expenses and allowances associated with the performance of functions carried out under the express authority of their local government. These entitlements cannot be taken away by any decision or action of the council.
5. The Tribunal has the capacity to determine either particular amounts for these payments or minimum and maximum ranges within which local governments can then set the amounts.

6. Where the Tribunal has chosen to determine a range, local governments are obliged to set, by absolute majority, the amount to be paid or reimbursed.
7. Elected council members have the ability to waive their entitlements or claim less than the awarded amount by writing to their local government in accordance with any relevant policies.
8. The Tribunal notes that the fees, expenses and allowances outlined in this determination are not intended to be reflective of full time salaries given the recognised element of voluntary community service associated with the role of elected council member.

## **CURRENT INQUIRY**

9. In discharging its statutory requirement with respect to the entitlements of elected council members, the Tribunal's approach has been to:
  - advertise for public submissions;
  - write via email to local governments and regional local governments inviting them to raise any comments or issues relevant to the determination of fees, expenses and allowances;
  - seek information from local governments and regional local governments regarding the fees, expenses and allowances paid to elected council members in consideration of the 2013 determination;
  - consider relevant labour market and economic data; and
  - seek advice from the Statutory Adviser, Ms Jennifer Mathews, Director General, Department of Local Government and Communities (DLGC).

## **SUBMISSIONS**

10. An advertisement calling for public submissions to the Tribunal's inquiry was placed in The West Australian newspaper on 22 March 2014 with a closing date of 11 April 2014, and on the Tribunal's website at <http://www.sat.wa.gov.au/LatestNews/Pages/Default.aspx>.
11. On 27 March 2014, the Tribunal emailed local government and regional local government chief executive officers (CEOs) to invite submissions from themselves and their elected council members on issues relevant to the determination by 18 April 2014.
12. On 31 March 2014, the Tribunal wrote to the Western Australian Local Government Association (WALGA) and the Western Australian division of the Local Government Managers Australia (LGMA), inviting submissions to its inquiry by 18 April 2014.
13. A total of ten submissions were received from seven local governments and three councillors.

14. Aside from those local governments who requested an increase in classification, matters raised in the submissions included that:
- a. Elected council members have responsibility for making strategic decisions and determining substantial budgets but because they are not adequately remunerated, cannot afford to take leave from their main employment to attend relevant training courses to enhance their skills and qualifications;
  - b. There is an increasing requirement for elected council members to have a good knowledge of a wide range of legislation and good governance, be approachable and accountable and be strategic thinkers who can plan for their community's future. Remuneration should therefore reflect the level of expertise, knowledge, work load and time commitment of elected council members;
  - c. The need to attract and retain young, motivated men and women to the role of elected council member is crucial in order to secure a healthy outlook for local government;
  - d. Any future increases to meeting and annual attendance fees should only be awarded to elected council members and not their mayor/president/chairperson in order to make the current pay differential more equitable;
  - e. The greater responsibilities of a mayor/president/chairperson are sufficiently rewarded with higher meeting and annual attendance fees and should not be further recognised by provision of an annual allowance;
  - f. The annual attendance fee in lieu of council and committee meetings should be amended to include meetings of a prescribed nature in accordance with section 30(3A) of the *Local Government (Administration) Regulations 1996* ('LG Regulations');
  - g. The Tribunal should clarify the travel and accommodation reimbursement rates to which elected council members are eligible under the *Public Service Award 1992* ('the Award'), or determine a rate altogether independent of the Award; and
  - h. The Tribunal should determine particular amounts of fees and allowances rather than a range to avoid any political grandstanding and remove the requirement for elected council members to vote publicly on aspects of their remuneration.

The Tribunal took into account all feedback received throughout the inquiry process. Several of the issues raised above have been acted upon in this determination.

## **QUESTIONNAIRE**

15. On 4 April 2014, an online questionnaire was provided to local government and regional local government CEOs in order to obtain information relating to the fees, expenses and allowances paid to their elected council members.
16. Responses to the questionnaire were initially requested by 18 April 2014 however continued to be accepted until 16 May 2014. In total, 124 responses were received from local governments and regional local governments.
17. The Yarra Yarra Catchment Regional Council and the Mid West Regional Council were not required to provide a response to the questionnaire as they ceased operations earlier this year. The City of Canning could not respond as they were subject to an Authorised Inquiry and had a Commissioner appointed to act as Council.
18. The Tribunal greatly appreciates the cooperation of those local governments and regional local governments who responded to the questionnaire. The information received has enabled the Tribunal to analyse the fees, expenses and allowances being paid to elected council members and understand issues which have arisen since the 2013 determination.
19. The 22 local governments that failed to respond to this inquiry have been listed in Schedule 2 of this determination and will be contacted by the Tribunal.
20. The Tribunal reminds all non-respondents that it is the responsibility of the CEO to provide information requested as part of the inquiry process. Although the SA Act provides the Tribunal with the powers of a Royal Commission to subpoena information relevant to its inquiries, it would prefer to work cooperatively with local governments and regional local governments.
21. Failure to provide information to future inquiries of the Tribunal may result in the Tribunal determining specific amounts of fees, expenses and allowances, rather than minimum and maximum ranges.

## **ASSISTANCE FROM STATUTORY ADVISOR**

22. The Tribunal sought advice from Ms Jennifer Mathews, Director General, DLGC, who has been appointed by the Premier in accordance with section 10(4)(c) of the SA Act to assist the Tribunal in its inquiries into the fees, expenses and allowances of elected council members.

## **CONSIDERATIONS**

23. In undertaking this determination, the Tribunal has been mindful of the magnitude and complexity of the local government sector. With the closure of the Yarra Yarra Catchment Regional Council and the Mid West Regional Council earlier this year, there are now 147 local governments and regional local governments in WA which in 2012-13 accounted for a total operating and capital expenditure of approximately \$4.63 billion.<sup>1</sup> There are approximately 16,000 Full Time Equivalent employees and 1,229 elected council members

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<sup>1</sup> Statistics provided by the Department of Local Government and Communities, May 2014.

spread across geographic areas ranging from 1.5 square kilometres to 371,696 square kilometres.<sup>2</sup>

24. The Tribunal has again taken into account sections 2.7 to 2.10 of the LG Act which outline the roles and responsibilities of local governments, councillors, mayors, presidents and their deputies.
25. The information received from individual local governments, elected council members and the Statutory Advisor continues to keep the Tribunal informed on developments across the sector.

### **Range of fees versus a set amount**

26. Following requests from several local governments, the Tribunal again considered whether it should determine specific amounts of fees, expenses and allowances or continue determining minimum and maximum ranges.
27. The Tribunal acknowledges that determining a specific amount for each local government and regional local government may depoliticise payments and protect elected council members from being accused of self-interest. However, the Tribunal continues to believe that individual local governments and regional local governments are best placed to assess their own financial capacity to pay in consideration of the workload and responsibilities of their elected council members.
28. In addition, the Tribunal is mindful that removing the ability for local governments to set their own amounts may result in a decrease in payments and heighten dissatisfaction amongst elected council members and the wider sector. This is particularly relevant given that results obtained via the questionnaire demonstrated that a significant number of elected council members claimed the maximum or close to the maximum of the ranges determined by the Tribunal.

### **Training for elected council members**

29. As part of the Tribunal's 2013 inquiry, the Minister for Local Government requested that consideration be given to the possibility of providing incentives for elected council members who participate in training programs in an effort to increase the capacity of local governments to successfully deliver services to the community.
30. Advice received from the DLGC is that \$1.52m of funding (\$260,000 in 2013-14) has been received as part of the Royalties for Region program to enable the delivery of training to elected council members of non-metropolitan local governments. The proposed training project will support country local governments to improve governance and decision-making and upon completion, provide a pathway into the Elected Member stream of the Diploma of Local Government provided by WALGA. The skill set for local government elected council members is set out in the LGA04 Local Government Training Package of the Australian Qualifications Framework.

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<sup>2</sup> Statistics provided by the Department of Local Government and Communities, May 2014.

31. The DLGC has informed the Tribunal that training will be offered in the first instance via two pilot programs to a limited number of elected council members in central regional locations by 30 June 2014.
32. Given that this determination will be issued prior to the DLGC completing its evaluation of the pilot programs, the Tribunal considered that it was not appropriate to provide incentives or rewards for completion of training as part of this determination.
33. The Tribunal will monitor the situation with a view to developing a means of rewarding training as part of the framework of fees, expenses and allowances in the next determination or sooner if the opportunity arises.

#### **Annual attendance fees**

34. Several requests were made for the annual attendance fee in lieu of council and committee meetings to also include meetings of a prescribed nature as defined in Regulation 30(3A) of the LG Regulations.
35. Data obtained via the questionnaire did not identify any elected council members who received a per meeting fee for attendance at prescribed meetings in addition to an annual allowance for council and committee meetings. Nevertheless, the Tribunal considers that inclusion of prescribed meetings within the annual attendance fee is warranted to enhance consistency and clarification in the provision of annual attendance fees.

#### **Committee meeting and prescribed meeting attendance fees**

36. The Tribunal's 2013 determination did not differentiate between committee meeting and prescribed meeting fees for elected council members and their mayor/president/chairperson.
37. However, the inquiry process found that a number of local governments had made this differentiation and determined one fee for elected council members and another for the mayor/president/chairperson.
38. Whilst it was not the Tribunal's intent for different fees to be set, the Tribunal acknowledges that councils should have the discretion to reward attendance in consideration of the particular representative's role, responsibilities, knowledge and experience.

#### **Metropolitan local government reform**

39. The Statutory Advisor has informed the Tribunal that the Minister for Local Government will consider the recommendations for metropolitan reform made by the Local Government Advisory Board over the coming months.
40. It is understood that all new district changes will be established effective 1 July 2015 and that where Commissioners are appointed, local government elections will be held in October 2015 along with ordinary local government elections.
41. Accordingly, the Tribunal will be reviewing the classifications of local governments impacted by an amalgamation or boundary change in due course and would greatly appreciate the cooperation of local governments in providing any information to assist this process.

## **Labour market and economic data**

42. The Tribunal considered relevant labour market and economic data as well as the State Government's economic forecast in order to determine an economically sustainable adjustment to the current payments made or reimbursed to elected council members.

## **Questionnaire results**

43. Approximately 84 per cent of local governments and regional local governments responded to the Tribunal's questionnaire regarding the fees, expenses and allowances paid to elected council members. This gave the Tribunal a reasonably high level of confidence in the data provided with the caveat that the Tribunal's executive did not have the opportunity to verify the information provided in each individual response.
44. The questionnaire requested information regarding the gender and age of current local government elected council members. A total of 1115 elected members were reported, comprising of 776 males and 339 females. The majority of elected council members (62 per cent) were reported as being aged between 45 and 64, whereas only 5 per cent were reported as being aged between 18 and 34. The results, albeit unsurprising, highlight the growing need for local governments to attract a more diverse range of people to the role of elected council member.
45. Overall, data obtained via the questionnaire produced similar results and trends to the 2013 inquiry, with local governments allocated to the same classification band often determining comparable levels of entitlements for their elected council members. The most notable difference was that the maximum annual attendance fees and annual allowances claimed this financial year were substantially greater given the increase awarded in the Tribunal's 2013 determination.
46. All band 1 and approximately 83 per cent of band 2 respondents reported that their elected council members claimed an annual attendance fee in lieu of council and committee meeting fees. Of these, 71 per cent of band 1 and 52 per cent of band 2 claimed the maximum of their awarded annual attendance fee. In band 3, 87 per cent of elected council members claimed an annual attendance fee, with approximately 10 per cent claiming the maximum amount. While the number of band 4 elected council members who claimed an annual attendance fee has risen since 2013 (48 per cent compared to 36 per cent), only one local government has claimed the maximum amount. Six regional local government respondents claimed an annual attendance fee, with four receiving the maximum amount of \$10,000.
47. Four local governments indicated that some or all of their elected council members had either waived or elected to only receive part of their entitlements for meeting attendance.
48. With regards to the additional allowance for mayors/presidents and their deputies, all band 1 and 45 per cent of band 2 respondents received an annual allowance. Of these, 65 per cent of band 1 and 41 per cent of band 2 claimed their maximum entitlement. In band 3, 90 per cent of mayors/presidents and their deputies claimed an annual allowance, with approximately 12 per cent claiming the maximum amount. In band 4, 85 per cent of mayors/presidents and their deputies claimed an annual allowance, with four per cent claiming the maximum. The annual allowance figures claimed by band 4 mayors/presidents had the greatest variance of all the bands, with amounts ranging between \$500 to \$19,000.

49. The Tribunal notes that numerous local governments did not provide information regarding their total operating revenue for the 2012-13 financial year in addition to the annual allowances received by their mayors/presidents/chairpersons and deputies. This made it difficult to assess compliance with the Tribunal's 2013 determination.
50. In this regard, the Tribunal reminds local governments that the method for calculating annual allowances was initially outlined in its 2013 determination and replaced previous calculations under the LG Regulations. Since 1 July 2013, the maximum annual allowance that could be paid to a mayor/president/chairperson should not have exceeded the range stated in Table 7 of the Tribunal's 2013 determination or 0.2 per cent of the local government's operating revenue for the 2012-13 financial year, whichever was the lesser amount. This differs from the LG Regulations which previously provided for annual allowances of between \$600 to \$12,000 or 0.002 of operating revenue, whichever was the greater amount, but not more than \$60,000.
51. Local governments are required to apply the Tribunal's determination when calculating annual allowances for mayors/presidents/chairpersons. This is particularly important given the flow on effects which may result if an annual allowance is also awarded to the deputy mayor/president/chairperson (to be not more than 25 per cent of the annual allowance awarded to the mayor/president/chairperson).
52. Additional measures which come to the attention of the Tribunal may be utilised to ensure any aspects of non-compliance with its determinations are raised with the appropriate authority.

#### **Annual review process and provision of data to the Tribunal**

53. The Tribunal will annually request information regarding the amounts of fees, expenses and allowances paid to local governments and regional local government elected council members.
54. When the questionnaire for this 2014 inquiry was conducted, the Tribunal was unable to request actual figures relating to the reimbursement of expenses as it had not been a complete financial year since the 2013 determination was issued.
55. Local governments and regional local governments are advised to record all figures relevant to each section of the determination, including reimbursement figures relating to the 2013-14 financial year, as this information will be requested as part of the Tribunal's 2015 inquiry.

#### **CONCLUSIONS**

56. During the course of this inquiry, the Tribunal received feedback that the increases awarded in the 2013 determination acknowledged the workload and responsibilities of elected council members, mayors, presidents and chairpersons across a range of different sized local governments.
57. The Tribunal has determined a general adjustment of 3 per cent to the maximum ranges of the council meeting fees, committee meeting and prescribed meeting fees, annual attendance fees in lieu of council and committee meeting fees and the annual allowances for mayors, presidents and chairpersons. All adjustments to the maximum ranges have been rounded to the nearest dollar and are effective 1 July 2014.



58. The Tribunal considers that an increase of 3 per cent is sufficient given the current economic climate and the substantial increases awarded in the 2013 determination. The Tribunal's decision also takes into account information provided by local governments and regional local governments throughout the inquiry process and maintains the understanding that there is a recognised element of community service associated with the role of elected council member.
59. In light of the above, the Tribunal advises that a local government would have to satisfy itself that there was sound justification to award elected council members an increase within their allocated band range which was in excess of 3 per cent.
60. The Tribunal has maintained a separate annual allowance for the Lord Mayor in recognition of the significant ceremonial and civic responsibilities associated with being a representative of the State's capital city and involved in state and national planning initiatives. The 3 per cent general adjustment is therefore also applicable to the maximum range of the annual allowance awarded to the Lord Mayor.
61. The minimum ranges outlined for the abovementioned entitlements in the Tribunal's determination have been maintained in order to prevent placing undue pressure on those local governments which may not have the financial capacity to pay increased amounts.
62. In continuing to set minimum and maximum amounts, the Tribunal has maintained the ability for local governments and regional local governments to exercise discretion in setting particular amounts within the ranges outlined in this determination.
63. The Tribunal has found that the current classification framework and band allocation model have been effective and that no further amendment is warranted at this time. Regional local governments will continue to be provided with a single range of fees and allowances rather than in accordance with the band allocation awarded to them under the Tribunal's 2013 determination for local government CEOs.
64. After considering all of the relevant information, the Tribunal has increased the classification for the City of Kwinana from Band 2 to Band 1. The Tribunal considered a range of factors including the City's increased levels of work value, growth and responsibility outlined in their submission and in data collected by the Tribunal. Whilst the Tribunal is mindful that the City may be impacted by the State Government's metropolitan reform program, the extent of the change will only be understood once recommendations have been made by the Local Government Advisory Board and accepted by the Minister for Local Government. The increases in work value, growth and responsibility factors were considered significant enough to warrant reclassification at this time.
65. Aside from the City of Kwinana, the Tribunal has maintained the classifications awarded to all local governments and regional local governments. Although several local governments demonstrated increases in terms of operating expenditure, FTE and population, they were not considered significant or consistent enough to warrant an increase in classification at present.
66. The annual attendance fees in lieu of council meeting and committee meeting attendance fees have been amended to include meetings of a prescribed nature as defined in Regulation 30(3A) of the LG Regulations. However, the Tribunal did not consider it necessary that the inclusion of prescribed meetings required the maximum ranges of the annual attendance fees to be increased beyond the 3 per cent general adjustment.

67. The Tribunal reinforces its preference for the reimbursement of actual expenses wherever possible and accordingly, has maintained the annual allowances for information and communication technology (ICT) and travel and accommodation provided for in the 2013 determination. Although these annual allowance are to be paid in lieu of reimbursement of such expenses, the Tribunal maintains the fundamental principle that elected council members should not be out of pocket for expenses properly incurred in the fulfilment of their duties and that any expense incurred beyond the annual allowance amount received should continue to be reimbursed in accordance with the LG Regulations.
68. In conclusion, the Tribunal would like to acknowledge those who provided information to this inquiry. This enabled the Tribunal to appreciate the issues impacting various local governments and the wider sector, and also gain feedback regarding the effectiveness of its inaugural determination into the fees, expenses and allowances of elected council members.
69. The Tribunal also wishes to thank Ms Jennifer Mathews, Director General DLGC, for the invaluable advice and assistance provided by herself and her staff, and express their appreciation to the former Executive Officer, Mr John Lukin, and the current Executive team for the research and dedication that has enabled the compilation of this determination.

The determination will now issue.

Signed this 18th day of June 2014.

W S Coleman AM  
CHAIRMAN

C A Broadbent  
MEMBER

B J Moore  
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL

**DETERMINATION FOR LOCAL GOVERNMENT  
ELECTED COUNCIL MEMBERS PURSUANT TO  
SECTION 7B OF THE *SALARIES AND ALLOWANCES ACT 1975***

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## PART 1: INTRODUCTORY MATTERS

*This Part deals with some matters that are relevant to the determination generally.*

### 1.1 Short title

This determination may be cited as the *Local Government Elected Council Members Determination No. 1 of 2014*.

### 1.2 Commencement

This determination comes into operation on 1 July 2014.

### 1.3 Content and intent

- (1) This determination provides for the amount of fees, expenses and allowances to be paid or reimbursed under the *Local Government Act 1995* ('the LG Act') Part 5 Division 8 to elected council members. The determination applies to elected council members who are members of the council of a local government. Under the LG Act section 3.66, it also applies to elected council members who are members of the council of a regional local government.
- (2) Where the Tribunal has determined a specific amount for a fee, expense or allowance for elected council members of a local government or regional local government, the amount determined by the Tribunal will be payable to an eligible elected council member.
- (3) Where the Tribunal has determined a minimum and maximum amount for a fee, expense or allowance for elected council members of a local government or regional local government, each local government or regional local government council will set an amount within the relevant range determined and the amount set will be payable to an eligible elected council member.
- (4) The fees, expenses and allowances determined are intended to recognise the responsibilities of elected council members, mayors and presidents of local governments and chairmen of regional local governments and to remunerate them for the performance of the duties associated with their office.

### 1.4 Terms used

In this determination, unless the contrary intention appears -

***chairman*** means a person who is elected or appointed from among the members of a council of a regional local government as its chairman;

***committee meeting*** means a meeting of a committee of a council where the committee comprises –

- (a) council members only; or
- (b) council members and employees of the local government or regional local government;

***council*** –

- (a) in relation to a local government, means the council of the local government;
- (b) in relation to a regional local government, means the council of the regional local government;

***council member*** –

- (a) in relation to a local government –
  - (i) means a person elected under the LG Act as a member of the council of the local government; and
  - (ii) includes the mayor or president of the local government;
- (b) in relation to a regional local government –
  - (i) means a person elected under the LG Act as a member of the council of a local government and who is a member of the council of the regional local government; and
  - (ii) includes the chairman of the regional local government;

***LG Regulations*** means the *Local Government (Administration) Regulations 1996*;

***mayor*** means a council member holding the office of mayor, whether elected by the council from amongst its members or elected by the electors;

***operating revenue*** means revenue that is operating revenue for the purposes of the Australian Accounting Standards made and amended from time to time by the Australian Accounting Standards Board;

***president*** means a council member holding the office of president, whether elected by the council from amongst its members or elected by the electors.

## **1.5 Pro rata payments**

The amount of a person's entitlement to an annual attendance fee or annual allowance specified in this determination shall be apportioned on a pro rata basis according to the portion of a year that the person holds office as a council member and is eligible for the relevant annual attendance fee or annual allowance.

## **1.6 Local government band allocations**

Unless the contrary intention appears, local governments are allocated in this determination to the bands set out in Schedule 1 of this determination. Regional local governments are not allocated to bands.

## **PART 2: MEETING ATTENDANCE FEES**

*This Part deals with fees payable to council members for attendance at council meetings and meetings as set out in section 5.98(1) and (2A) of the LG Act and regulation 30(3A) of the LG Regulations.*

*In particular it deals with fees for attendance at the following meetings –*

- (a) council meetings;*
- (b) council committee meetings;*
- (c) Western Australian Local Government Association (WALGA) Zone meetings;*
- (d) Main Roads Western Australia Regional Road Group meetings*
- (e) regional local government meetings where an elected council member is deputising;*
- (f) meetings attended at the request of a Minister of the Crown;*
- (g) meetings where an elected council member is a delegate of the council.*

### **2.1 GENERAL**

- (1) Pursuant to section 5.98(1)(b) of the LG Act, a council member who attends a council meeting is entitled to be paid the fee set by the local government or the regional local government within the range determined in section 2.2 of this Part for council meeting attendance fees.
- (2) Pursuant to section 5.98(1)(b) and (2A)(b) of the LG Act, a council member who attends a committee meeting or (at the request of the local government or regional local government) a meeting of a type prescribed in regulation 30(3A) of the LG Regulations is entitled to be paid the fee set by the local government or regional local government within the range determined in section 2.3 of this Part for attending committee meetings or, as the case requires, meetings of that type.
- (3) Each of the following meetings is a type of meeting prescribed in regulation 30(3A) of the LG Regulations -
  - (a) meeting of a WALGA Zone, where the council member is representing a local government as a delegate elected or appointed by the local government;
  - (b) meeting of a Regional Road Group established by Main Roads Western Australia, where the council member is representing a local government as a delegate elected or appointed by the local government;



- (c) council meeting of a regional local government where the council member is the deputy of a member of the regional local government and is attending in the place of the member of the regional local government;
  - (d) meeting other than a council or committee meeting where the council member is attending at the request of a Minister of the Crown who is attending the meeting;
  - (e) meeting other than a council meeting or committee meeting where the council member is representing a local government as a delegate elected or appointed by the local government.
- (4) Pursuant to section 5.99 of the LG Act, a local government or regional local government may decide by an absolute majority that instead of paying council members an attendance fee referred to in section 5.98(1) of the LG Act, it will pay all council members who attend council or committee meetings a fee set within the range for annual fees determined in section 2.4 of this Part.
- (5) Regulation 30(3C) of the LG Regulations prevents the payment of a fee to a council member for attending a meeting of a type prescribed in regulation 30(3A) of those regulations if –
- (a) the person who organises the meeting pays the council member a fee for attending the meeting; or
  - (b) the council member is paid an annual fee in accordance with section 5.99 of the LG Act; or
  - (c) the council member is deputising for a council member at a meeting of a regional local government and the member of the regional local government is paid an annual fee in accordance with section 5.99 of the LG Act.
- (6) In determining the fees set out in this Part, the Tribunal has taken into account a range of factors including –
- (a) the time required to prepare adequately for the meetings including consideration of agenda papers, site visits related to agenda items and consultation with council staff and community members;
  - (b) the role of the council member, mayor or president including, but not limited to, representation, advocacy, and oversight and determination of policy and local legislation;
  - (c) particular responsibilities associated with the types of meetings attended;
  - (d) responsibilities of a mayor, president or chairman to preside over meetings; and

- (e) the relative “size” of the local government as reflected in the Tribunal’s local government banding model.
- (7) The Tribunal has not determined a specific meeting attendance fee for the purposes of section 5.98(1)(a) or (2A)(a) of the LG Act.

**2.2 COUNCIL MEETING ATTENDANCE FEES – PER MEETING**

- (1) The ranges of fees in Table 1 and Table 2 apply where a local government or regional local government decides by an absolute majority to pay a council member a fee referred to in section 5.98(1)(b) of the LG Act for attendance at a council meeting.

**Table 1: Council meeting fees per meeting – local governments**

Band	For a council member other than the mayor or president		For a council member who holds the office of mayor or president	
	Minimum	Maximum	Minimum	Maximum
1	\$600	\$773	\$600	\$1,159
2	\$363	\$567	\$363	\$760
3	\$188	\$400	\$188	\$618
4	\$88	\$232	\$88	\$477

**Table 2: Council meeting fees per meeting – regional local governments**

	For a council member other than the chairman		For a council member who holds the office of chairman	
	Minimum	Maximum	Minimum	Maximum
All regional local governments	\$88	\$232	\$88	\$477

**2.3 COMMITTEE MEETING AND PRESCRIBED MEETING ATTENDANCE FEES – PER MEETING**

- (1) The ranges of fees in Table 3 and Table 4 apply where a local government or regional local government decides to pay a council member a fee referred to in –
- (a) section 5.98(1)(b) of the LG Act for attendance at a committee meeting; or
  - (b) section 5.98(2A)(b) of the LG Act for attendance at a meeting of a type prescribed in regulation 30(3A) of the LG Regulations.

**Table 3: Committee meeting and prescribed meeting fees per meeting – local governments**

For a council member (including the mayor or president)		
Band	Minimum	Maximum
1	\$300	\$386
2	\$181	\$283
3	\$94	\$200
4	\$44	\$116

**Table 4: Committee meeting and prescribed meeting fees per meeting – regional local governments**

For a council member (including the chairman)		
	Minimum	Maximum
All regional local governments	\$44	\$116

**2.4 ANNUAL ATTENDANCE FEES IN LIEU OF COUNCIL MEETING, COMMITTEE MEETING AND PRESCRIBED MEETING ATTENDANCE FEES**

- (1) The ranges of fees in Table 5 and Table 6 apply where a local government or regional local government decides by an absolute majority that, instead of paying council members an attendance fee referred to in section 5.98 of the LG Act, it will pay all council members who attend council, committee or prescribed meetings an annual fee.

**Table 5: Annual attendance fees in lieu of council meeting, committee meeting and prescribed meeting attendance fees – local governments**

For a council member other than the mayor or president			For a council member who holds the office of mayor or president	
Band	Minimum	Maximum	Minimum	Maximum
1	\$24,000	\$30,900	\$24,000	\$46,350
2	\$14,500	\$22,660	\$14,500	\$30,385
3	\$7,500	\$15,965	\$7,500	\$24,720
4	\$3,500	\$9,270	\$3,500	\$19,055

**Table 6: Annual attendance fees in lieu of council meeting, committee meeting and prescribed meeting attendance fees – regional local governments**

For a council member other than the chairman		For a council member who holds the office of chairman		
	Minimum	Maximum	Minimum	Maximum
All regional local governments	\$1,750	\$10,300	\$1,750	\$15,450

### **PART 3: ANNUAL ALLOWANCE FOR A MAYOR, PRESIDENT, CHAIRMAN, DEPUTY MAYOR, DEPUTY PRESIDENT AND DEPUTY CHAIRMAN**

*This Part deals with annual allowances payable to mayors, presidents, chairmen and their deputies in addition to any entitlement to meeting attendance fees or the reimbursement of expenses pursuant to section 5.98 of the LG Act.*

*In particular, this Part deals with –*

- (a) the entitlement of a mayor, president or chairman to an additional allowance; and*
- (b) the discretion of a local government or regional local government to pay an additional allowance to a deputy mayor or deputy president or deputy chairman.*

#### **3.1 GENERAL**

- (1) Pursuant to section 5.98(5) of the LG Act, the mayor or president of a local government and the chairman of a regional local government are entitled, in addition to any fees or reimbursement of expenses payable under section 5.98(1) or (2), to be paid the annual allowance set by the local government or regional local government within the range determined in section 3.2 of this Part.
- (2) Pursuant to section 5.98A(1) of the LG Act, a local government or regional local government may decide by an absolute majority to pay the deputy mayor or deputy president of the local government, or the deputy chairman of the regional local government, an allowance of up to the percentage that is determined by the Tribunal of the annual allowance to which the mayor or president of the local government, or the chairman of the regional local government, is entitled under section 5.98(5) of the LG Act. That percentage is determined in section 3.3 of this Part. This allowance is in addition to any fees or reimbursement of expenses payable to the deputy mayor, deputy president or deputy chairman under section 5.98 of the LG Act.
- (3) In determining the allowances set out in this Part, the Tribunal has taken into account a range of factors including the following –
  - (a) the leadership role of the mayor, president or chairman;
  - (b) the statutory functions for which the mayor, president or chairman is accountable;
  - (c) the ceremonial and civic duties required of the mayor, president or chairman, including local government business related entertainment;
  - (d) the responsibilities of the deputy mayor, deputy president or deputy chairman when deputising;

- (e) the relative “size” of the local government as reflected in the Tribunal’s local government banding model;
- (f) the civic, ceremonial and representation duties particular to the Lord Mayor of Western Australia’s capital city.

**3.2 ANNUAL ALLOWANCE FOR A MAYOR, PRESIDENT OR CHAIRMAN**

- (1) The ranges of allowances in Table 7 apply where a local government sets the amount of the annual local government allowance to which a mayor or president is entitled under section 5.98(5) of the LG Act, subject to subsections (3) and (4).
- (2) The range of allowances in Table 8 apply where a regional local government sets the amount of the annual local government allowance to which a chairman is entitled under section 5.98(5) of the LG Act, subject to subsection (5).
- (3) Despite the provisions of subsection (1), the Perth City Council is to set the amount of the annual local government allowance to which the Lord Mayor is entitled within the range of \$60,000 to \$133,900.
- (4) The maximum annual local government allowance for a mayor or president of a local government shall not exceed the maximum allowance applicable to that local government in Table 7 or 0.2 per cent of the local government’s operating revenue for the 2013-14 financial year, whichever is the lesser.
- (5) The maximum annual local government allowance for a chairman of a regional local government shall not exceed the maximum allowance applicable to that regional local government in Table 8 or 0.2 per cent of the regional local government’s operating revenue for the 2013-14 financial year, whichever is the lesser.

**Table 7: Annual allowance for a mayor or president of a local government**

For a mayor or president		
Band	Minimum	Maximum
1	\$50,000	\$87,550
2	\$15,000	\$61,800
3	\$1,000	\$36,050
4	\$500	\$19,570

**Table 8: Annual allowance for a chairman of a regional local government**

<b>For a chairman</b>		
	<b>Minimum</b>	<b>Maximum</b>
All regional local governments	\$500	\$19,570

**3.3 ANNUAL ALLOWANCE FOR A DEPUTY MAYOR, DEPUTY PRESIDENT OR DEPUTY CHAIRMAN**

- (1) The percentage determined for the purposes of section 5.98A(1) of the LG Act is 25 per cent.

## **PART 4: EXPENSES TO BE REIMBURSED**

*This Part deals with expenses for which council members are entitled to be reimbursed pursuant to section 5.98(2) of the LG Act.*

*In particular, this Part deals with –*

- (a) expense reimbursements prescribed specifically in regulation 31(1) of the LG Regulations that must be paid by a local government or regional local government when claimed by a council member (i.e. telephone and facsimile rental, child care and travel); and*
- (b) expense reimbursements prescribed in general terms in regulation 32(1) of the LG Regulations that may be approved by a local government or regional local government and claimed by a council member.*

### **4.1 GENERAL**

- (1) Pursuant to section 5.98(2)(a) and (3) of the LG Act, a council member who incurs an expense of a kind prescribed in regulation 31(1) of the LG Regulations is entitled to be reimbursed for the expense to the extent determined in section 4.2(1) to (5) of this Part.
- (2) Regulation 31(1) of the LG Regulations prescribes the following kinds of expenses that are to be reimbursed –
  - (a) rental charges incurred by a council member in relation to one telephone and one facsimile machine; and
  - (b) child care and travel costs incurred by a council member because of the member's attendance at a council meeting or a meeting of a committee of which he or she is also a member.
- (3) Pursuant to section 5.98(2)(a) and (3) of the LG Act, a council member who incurs an expense of a kind prescribed in regulation 31(1) of the LG Regulations is entitled to be reimbursed for the expense to the extent determined in section 4.2(6) and (7) of this Part.
- (4) Regulation 32(1) of the LG Regulations prescribes the following kinds of expenses that may be approved by a local government for reimbursement –
  - (a) an expense incurred by a council member in performing a function under the express authority of the local government;



- (b) an expense incurred by a council member to whom paragraph (a) applies by reason of the council member being accompanied by not more than one other person while performing the function if, having regard to the nature of the function, the local government considers that it is appropriate for the council member to be accompanied by that other person;
- (c) an expense incurred by a council member in performing a function in his or her capacity as a council member.

#### **4.2 EXTENT OF EXPENSES TO BE REIMBURSED**

- (1) The extent to which a council member can be reimbursed for rental charges in relation to one telephone and one facsimile machine is the actual expense incurred by the council member.
- (2) The extent to which a council member can be reimbursed for child care costs incurred because of attendance at a meeting referred to in regulation 31(1)(b) of the LG Regulations is the actual cost per hour or \$25 per hour, whichever is the lesser amount.
- (3) The extent to which a council member of a local government can be reimbursed for travel costs referred to in regulation 31(1)(b) of the LG Regulations is –
  - (a) if the person lives or works in the local government district or an adjoining local government district, the actual cost for the person to travel from the person’s place of residence or work to the meeting and back; or
  - (b) if the person does not live or work in the local government district or an adjoining local government district, the actual cost, in relation to a journey from the person’s place of residence or work and back —
    - (i) for the person to travel from the person’s place of residence or work to the meeting and back; or
    - (ii) if the distance travelled referred to in subparagraph (i) is more than 100 kilometres, for the person to travel from the outer boundary of an adjoining local government district to the meeting and back to that boundary.
- (4) The extent to which a council member of a regional local government can be reimbursed for travel costs referred to in regulation 31(1)(b) of the LG Regulations is the actual cost for the person to travel from the person’s place of residence or work to the meeting and back.
- (5) For the purposes of subsections (3) and (4), travel costs incurred while driving a privately owned or leased vehicle (rather than a commercially hired vehicle) are to be calculated at the same rate applicable to the reimbursement of travel costs in the same

or similar circumstances under the *Public Service Award 1992* issued by the Western Australian Industrial Relations Commission as at the date of this determination.

- (6) The extent to which a council member can be reimbursed for child care costs incurred in any of the circumstances referred to in regulation 32(1) of the LG Regulations is the actual cost per hour or \$25 per hour, whichever is the lesser amount.
- (7) The extent to which a council member can be reimbursed for intrastate or interstate travel and accommodation costs incurred in any of the circumstances referred to in regulation 32(1) of the LG Regulations is at the same rate applicable to the reimbursement of travel and accommodation costs in the same or similar circumstances under the *Public Service Award 1992* issued by the Western Australian Industrial Relations Commission as at the date of this determination.

## **PART 5: ANNUAL ALLOWANCES IN LIEU OF REIMBURSEMENT OF EXPENSES**

*This Part deals with annual allowances that a local government or regional local government may decide to pay, pursuant to section 5.99A of the LG Act, to all council members in lieu of the reimbursement of expenses of a particular type under section 5.98(2) of the LG Act.*

*In particular, this Part deals with allowances to be paid instead of –*

- (a) expense reimbursements prescribed specifically in regulation 31(1) of the LG Regulations that must be paid by a local government or regional local government when claimed by a council member (i.e. telephone and facsimile rental, child care and travel); and*
- (b) expense reimbursements prescribed in general terms in regulation 32(1) of the LG Regulations that may be approved by a local government or regional local government and claimed by a council member.*

### **5.1 GENERAL**

- (1) Pursuant to section 5.99A of the LG Act, a local government or regional local government may decide by absolute majority that instead of reimbursing council members under the LG Act section 5.98(2) for all of a particular type of expense, it will pay all council members, for that type of expense, the annual allowance determined in section 5.2 of this Part or, as the case requires, an annual allowance within the range determined in that section.
- (2) Where a local government or regional local government has decided to pay council members an annual allowance for an expense of a particular type instead of reimbursing expenses of that type under section 5.98(2) of the LG Act, section 5.99A of the LG Act provides for reimbursement of expenses of that type in excess of the amount of the allowance.
- (3) In determining the maximum annual allowance for expenses of a particular type, the Tribunal has taken into account a range of factors including the following:
  - (a) the intent of the allowance to reflect the extent and nature of the expenses incurred and not to result in a windfall gain for council members;
  - (b) the capacity of local governments to set allowances appropriate to their varying operational needs;
  - (c) the particular practices of local governments in the use of information and communication technology (e.g. laptop computers, iPads);

- (d) the varying travel requirements of council members in local governments associated with geography, isolation and other factors.

## **5.2 ANNUAL ALLOWANCES DETERMINED INSTEAD OF REIMBURSEMENT FOR PARTICULAR TYPES OF EXPENSES**

- (1) In this section –

*ICT expenses* means –

- (a) rental charges in relation to one telephone and one facsimile machine, as prescribed by regulation 31(1)(a) of the LG Regulations; or
- (b) any other expenses that relate to information and communications technology (for example, telephone call charges and internet service provider fees) and that are a kind of expense prescribed by regulation 32(1) of the LG Regulations;

*travel and accommodation expenses* means –

- (a) travel costs, as prescribed by regulation 31(1)(b) of the LG Regulations; or
  - (b) any other expenses that relate to travel or accommodation and that are a kind of expense prescribed by regulation 32(1) of the LG Regulations.
- (2) For the purposes of section 5.99A(b) of the LG Act, the minimum annual allowance for ICT expenses is \$500 and the maximum annual allowance for ICT expenses is \$3,500.
  - (3) For the purposes of section 5.99A(a) of the LG Act, the annual allowance for travel and accommodation expenses is \$50.

**SCHEDULE 1: LOCAL GOVERNMENT BAND ALLOCATIONS**

<b>LOCAL GOVERNMENT</b>	<b>BAND</b>
Albany City	2
Armadale City	1
Ashburton Shire	2
Augusta-Margaret River Shire	2
Bassendean Town	3
Bayswater City	1
Belmont City	2
Beverley Shire	4
Boddington Shire	4
Boyup Brook Shire	4
Bridgetown-Greenbushes Shire	3
Brookton Shire	4
Broome Shire	2
Broomehill-Tambellup Shire	4
Bruce Rock Shire	4
Bunbury City	2
Busselton City	2
Cambridge Town	2
Canning City	1
Capel Shire	3
Carnamah Shire	4
Carnarvon Shire	2
Chapman Valley Shire	4
Chittering Shire	3
Claremont Town	3
Cockburn City	1
Collie Shire	3
Coolgardie Shire	3
Coorow Shire	4
Corrigin Shire	4
Cottesloe Town	3
Cranbrook Shire	4
Cuballing Shire	4
Cue Shire	4
Cunderdin Shire	4
Dalwallinu Shire	4
Dandaragan Shire	3
Dardanup Shire	3
Denmark Shire	3
Derby-West Kimberley Shire	2
Donnybrook Balingup Shire	3

LOCAL GOVERNMENT	BAND
Dowerin Shire	4
Dumbleyung Shire	4
Dundas Shire	4
East Fremantle Town	3
East Pilbara Shire	2
Esperance Shire	2
Exmouth Shire	3
Fremantle City	1
Gingin Shire	3
Gnowangerup Shire	4
Goomalling Shire	4
Gosnells City	1
Greater Geraldton City	1
Halls Creek Shire	3
Harvey Shire	2
Irwin Shire	3
Jerramungup Shire	4
Joondalup City	1
Kalamunda Shire	2
Kalgoorlie-Boulder City	1
Katanning Shire	3
Kellerberrin Shire	4
Kent Shire	4
Kojonup Shire	3
Kondinin Shire	4
Koorda Shire	4
Kulin Shire	4
Kwinana City	1
Lake Grace Shire	4
Laverton Shire	3
Leonora Shire	3
Mandurah City	1
Manjimup Shire	3
Meekatharra Shire	3
Melville City	1
Menzies Shire	4
Merredin Shire	3
Mingenew Shire	4
Moora Shire	3
Morawa Shire	4
Mosman Park Town	3
Mount Magnet Shire	4
Mount Marshall Shire	4
Mukinbudin Shire	4
Mundaring Shire	2

LOCAL GOVERNMENT	BAND
Murchison Shire	4
Murray Shire	3
Nannup Shire	4
Narembeen Shire	4
Narrogin Shire	4
Narrogin Town	3
Nedlands City	2
Ngaanyatjarraku Shire	4
Northam Shire	2
Northampton Shire	4
Nungarin Shire	4
Peppermint Grove Shire	4
Perenjori Shire	4
Perth City	1
Pingelly Shire	4
Plantagenet Shire	3
Port Hedland Town	1
Quairading Shire	4
Ravensthorpe Shire	3
Rockingham City	1
Roebourne Shire	1
Sandstone Shire	4
Serpentine-Jarrahdale Shire	3
Shark Bay Shire	4
South Perth City	2
Stirling City	1
Subiaco City	2
Swan City	1
Tammin Shire	4
Three Springs Shire	4
Toodyay Shire	3
Trayning Shire	4
Upper Gascoyne Shire	4
Victoria Park Town	2
Victoria Plains Shire	4
Vincent Town	2
Wagin Shire	4
Wandering Shire	4
Wanneroo City	1
Waroona Shire	3
West Arthur Shire	4
Westonia Shire	4
Wickepin Shire	4
Williams Shire	4
Wiluna Shire	4

LOCAL GOVERNMENT	BAND
Wongan Ballidu Shire	4
Woodanilling Shire	4
Wyalkatchem Shire	4
Wyndham-East Kimberley Shire	2
Yalgoo Shire	4
Yilgarn Shire	3
York Shire	3



Signed this 18th day of June 2014.

W S Coleman AM  
CHAIRMAN

C A Broadbent  
MEMBER

B J Moore  
MEMBER

SALARIES AND ALLOWANCES TRIBUNAL

## **SCHEDULE 2: LOCAL GOVERNMENT NON-RESPONDENTS**

- Shire of Coorow
- Shire of Cue
- Shire of Dalwallinu\*
- Shire Dandaragan
- Shire of Derby- West Kimberley
- Shire of East Pilbara
- Shire of Gnowangerup
- Shire of Kent\*
- Shire of Lake Grace\*
- Shire of Mukinbudin
- Shire of Narembeen\*
- Shire of Nungarin\*
- Shire of Waroona
- Shire of Westonia\*
- Shire of Wongan-Ballidu
- Shire of Woodanilling
- Shire of Wyndham- East Kimberley
- Shire of Yalgoo
- Shire of Trayning
- Town of Mosman Park
- Town of Vincent
- Western Metropolitan Regional Council

The asterisk (\*) indicates those local governments who did not respond to either the Tribunal's 2013 or 2014 inquiry into the fees, expenses and allowances of elected council members.

## EXPLANATORY NOTES

*This section does not form part of the determination*

### **1. Entitlements**

The entitlement of a council member to a fee, allowance or reimbursement of an expense established under the LG Act, the LG Regulations and this determination, cannot be proscribed, limited or waived by a local government. Any eligible claim against those entitlements is to be paid in accordance with the applicable financial procedures of the local government.

### **2. Local governments to set amounts within the range determined**

Where the Tribunal has determined a minimum and maximum amount for a fee, expense or allowance for members of the council of a local government or a regional local government, each council is to set, by absolute majority, an amount within the relevant range determined and the amount set will be payable to elected council members.

### **3. Superannuation**

Nothing in this determination establishes a liability for the payment of superannuation by local governments. Elected council members are eligible for superannuation payments if their council has resolved unanimously to become an Eligible Local Governing Body (ELGB) pursuant to section 221A and section 221B of the *Income Tax Assessment Act 1936* (Cwlth). Where the council is an ELGB, it is deemed to have an employer/employee relationship with its elected council members and this attracts the application of a number of statutory obligations. Alternative arrangements described in Australian Taxation Office (ATO) Interpretative Decision ATO ID 2007/205 allow for elected council members and councils to agree for whole or part of meeting attendance fees to be paid into a superannuation fund. Where the council is an ELGB, fees for attendance at council, committee and prescribed meetings (whether paid via a per meeting fee or annual allowance) are to be inclusive of any superannuation guarantee liability. This information is not published by way of legal or financial advice.