



KEMPSEY
Shire Council

DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT

12th June 2007

DCCS5	MAYORAL AND COUNCILLOR FEES		
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SUMMARY:

Reporting that the Local Government Remuneration Tribunal has handed down its report for the 2007 - 2008 year.

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DESCRIPTION:

The Local Government Remuneration Tribunal determines the categories of Councils in New South Wales and determines the minimum and maximum fees paid to Mayors and Councillors within those categories. In conducting its annual review, the Tribunal invites submissions from Councils and the Local Government and Shires Association.

The Tribunal, taking into account current economic data has determined that an increase of 4 per cent in fees for councillors and mayors is appropriate effective from 1st July 2007. This was the same percentage increase as resulted from the 2006 review.

It is worth noting the following statement from the Tribunal on the purpose of Mayoral and Councillor fees:-

"these fees are not salaries, they are essentially to provide some compensation to councillors for the time and effort they spend on council business."

A full copy of the Tribunal's report has been provided separately to each Councillor and is available on the Tribunal's website at www.remtribunals.nsw.gov.au

Kempsey Shire Council is a category 3 Council and the 4% increase will mean that the category 3 limit will increase as shown on the following tables:

(2006 - 2007 fees for Category 3)

Mayor	
minimum	maximum
\$13,510	\$30,520

Councillor	
minimum	maximum
\$6,355	\$13,980

(2007 - 2008 fees for Category 3)

Mayor	
minimum	maximum
\$14,050	\$31,740

Councillor	
minimum	maximum
\$6,610	\$14,540

Council needs to resolve to determine its level of fees within these categories for the 2007 - 2008 year. It has been this Council's practice to pay the upper limit to its Mayor and Councillors.

If Council adopts the upper limit of its category it will therefore result in a 4% increase in the Councillor and Mayoral fees in the 2007 - 2008 year and such an increase has been provided for in the draft budget allocations for 2007 - 2008 therefore no additional allocation will be required should Council adopt the upper limit.

REPORT IMPLICATIONS:

- *Environmental*

Nil

- *Social*

Council is being open with its community in its decision on fees payable to Councillors being determined at open Council meetings. The Tribunal is an independent body reporting to the Minister for Local Government and sets the upper and lower limits payable in each Council category.

- *Economic (Financial)*

Mayoral and Councillor fees are provided for in Council's budget for Elected Member Services. The draft budget allocations for 2007-2008 are Mayoral Allowance \$32,100 and Councillors Allowances (9 councillors) \$131,000. A 4% increase over last year will result in expenditures of \$31,740 and \$130,860 respectively, being within the draft budget allocations.

- *Policy or Statutory*

Section 248 of the Local Government Act requires that Councils must pay each Councillor a fee as determined by the Tribunal guidelines. If such a fee is not set by Council it must pay the minimum fee set by the Tribunal for that category Council.

- *Directors Review*

Nil

RECOMMENDATION:

That the Mayoral and Councillor fees payable for the 2007 - 2008 year be the maximum allowed in category 3 as determined by the Local Government Remuneration Tribunal.

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G B Snape
DIRECTOR CORPORATE & COMMUNITY SERVICES