

# **Councillor Remuneration Policy**

#### **Document Control**

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**Author:** 

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**Council Approval Required:** 

**CEO Approval:** 

Resolution Number	Date	Reason/Comment
03/07/14	19 June 2014	V1 Initial Policy
06/13/2015	17 December 2015	V2 Review of Policy (new template)
05/01/2016	21 January 2016	V3 Addition that Councillors resolved to not accept the increase 1 July 2016 (S.6.1); amendment to the 'Attendance by Teleconference' clause (S.6.2.2).
16-07/2020	18 June 2020	V4 Review of policy to update remuneration increase from 1 July 2020.

#### 1. Purpose

This policy provides guidance on the payment of Councillors to ensure that they are paid in accordance with the determinations of the Local Government Remuneration Commission (Commission)

#### 2. Scope

This policy applies to all current Councillors of Croydon Shire Council.

#### 3. Background

The Local Government Act 2009 (section 177) provides the Commission with jurisdiction for local government remuneration matters for Queensland local governments.

Every year the Commission decides the maximum remuneration payable to councillors, mayors and deputy mayors in each category of local government (section 244, *Local Government Regulation 2012*). This decision must be made before 1 December each year.

Under s247(6) of the *Local Government Regulation 2012*, Councillors must be paid the maximum remuneration amount unless Council makes a resolution, within 90 days of Gazettal, not to pay the maximum amount [see Clause 6.1 below.]

Section 244 of the Regulation precludes the Tribunal from including amounts in its remuneration determination for expenses to be paid or facilities to be provided to Councillors. These items are provided for under Council's Expenses Reimbursement Policy.

Further section 244 also precludes the Commission from including in its determination any contribution a local government may make to a voluntary superannuation scheme for Councillors. Accordingly, the level of superannuation payments made to a Councillor is a matter to be determined by each individual Council having regard to the relevant Commonwealth legislation and section 226 of the Act, as is the issue of whether a Councillor may salary sacrifice such contributions.

### 4. Legislation

- 4.1 Local Government Act 2009 S.162(e), S.177, S.218, S.226
- 4.2 Local Government Regulation 2012, Chapter 8, Part 1, Division 1 Councillor Remuneration S240-254, S.276

#### 5. Definitions

5.1 **Remuneration** means the remuneration determined by the Local Government Remuneration Commission.

## 6. Policy

6.1 Annual Payments: At the January 2020 Ordinary Meeting Councillors reviewed the Local Government Remuneration Commission Annual Report 2019 and resolved to accept the remuneration schedule for the 2020-2021 financial year, determined by the Commission to apply from 1 July 2020. Annual remuneration for Category 1 Local Governments:

- Mayor \$108,222
- Deputy Mayor \$62,435
- Councillor \$54,110

The monetary amounts shown are the per annum figures to apply from 1 July 2020. If an elected representative only serves for part of a full year (that is, 1 July to 30 June) they are only entitled to a pro rata payment to reflect the portion of the year served.

For Councillors in Category 1 councils, a base payment of \$36,073.28 is payable for the 12 months commencing 1 July 2020. A meeting fee of \$1,503.06 per calendar month (or fortnightly equivalent) is payable for attendance at, and participation in, scheduled meetings of council subject to certification by the mayor and/or chief executive officer of the council. Mayors and deputy mayors in Category 1 councils are to receive the full annual remuneration level shown.

- 6.2 **Meeting Fee:** The Commission has specified that Councillors (other than the Mayor and Deputy Mayor) are only entitled to a base payment each month unless they attend the mandated monthly meeting of Council or are granted leave of absence from that meeting.
  - 6.2.1 **Definition of 'Meeting'**: For the purposes of determining when the payment of a monthly meeting fee is payable to Councillors it is considered that Council's Ordinary Monthly Meeting will be the meeting for the purposes of complying with the Commission's determination.
  - 6.2.2 Attendance by Teleconference: In the circumstances where a Councillor is unable to attend a meeting in person they may attend by teleconference (as per S.276 of the Regulation). If using a mobile phone, the Councilor must be stationary (i.e. not travelling) and in an area of good quality phone reception. Closed sessions may not be attended by teleconference.
  - 6.2.3 Leave of absence: Council understands that in certain circumstances it is not possible for Councillors to attend Council meetings. Councillors will receive remuneration for absence from Ordinary Council meetings when that absence is considered to be fair and reasonable. Fair and reasonable leave may be absence on council business, absence related to participation in Emergency Services activities, or absent on recreation or sick leave.
  - 6.2.4 **Certification of leave of absence**: Certification of a Councillor's eligibility for leave of absence and thus receipt of payment of the meeting fee will be by resolution as recorded in the meeting minutes.
  - 6.2.5 **Partial Absence from a meeting:** A Councillor who leaves a meeting or a teleconference early without a clearly legitimate reason will only qualify for part-payment of the meeting fee, reflecting their time of attendance.
- 6.3 **Taxation:** Councillors are, by default, not regarded as employees for taxation and superannuation purposes. As such PAYE deductions will not be deducted from the monthly payments unless Council is requested to do so by a Councillor.
- 6.4 **Superannuation**: Council has not elected to pay an amount from its operating fund to a superannuation scheme as a contribution for Councillors. [Local Government Act S.226(2)].

- 6.5 **Salary Sacrifice:** A Councillor may enter into an arrangement to forgo an amount of the remuneration that he or she is entitled to in order to participate in salary packaging of voluntary superannuation contributions. [Local Government Act S.218, 226(4)].
- 6.6 **Pro-rata:** Should an elected representative hold a Councillor position for only part of a financial year, he or she is only entitled to remuneration to reflect the portion of the year served.

#### 7. Related Documents

7.1 Local Government Remuneration Commission Annual Report 2019.