



CITY OF HOBART

# **AGENDA**

## **Governance Committee Meeting**

### **Open Portion**

**Tuesday, 30 January 2018**

**at 5:00 pm**

**Lady Osborne Room, Town Hall**

## THE MISSION

**Our mission is to ensure good governance of our capital City.**

## THE VALUES

**The Council is:**

<b>about people</b>	We value people – our community, our customers and colleagues.
<b>professional</b>	We take pride in our work.
<b>enterprising</b>	We look for ways to create value.
<b>responsive</b>	We're accessible and focused on service.
<b>inclusive</b>	We respect diversity in people and ideas.
<b>making a difference</b>	We recognise that everything we do shapes Hobart's future.

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## **ORDER OF BUSINESS**

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**Business listed on the agenda is to be conducted in the order in which it is set out, unless the committee by simple majority determines otherwise.**

### **APOLOGIES AND LEAVE OF ABSENCE**

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**Governance Committee Meeting (Open Portion) held Tuesday, 30 January 2018 at 5:00 pm in the Lady Osborne Room, Town Hall.**

**COMMITTEE MEMBERS**

Ruzicka (Chairman)  
Deputy Lord Mayor Christie  
Cocker  
Thomas  
Reynolds

**Apologies:** Nil.

**Leave of Absence:** Nil.

**ALDERMEN**

Lord Mayor Hickey  
Zucco  
Briscoe  
Sexton  
Burnet  
Denison  
Harvey

**1. CO-OPTION OF A COMMITTEE MEMBER IN THE EVENT OF A VACANCY**

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**2. CONFIRMATION OF MINUTES**

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The minutes of the Open Portion of the Governance Committee meeting held on [Tuesday, 28 November 2017](#), are submitted for confirming as an accurate record.

**3. CONSIDERATION OF SUPPLEMENTARY ITEMS**

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Ref: Part 2, Regulation 8(6) of the *Local Government (Meeting Procedures) Regulations 2015*.

**Recommendation**

That the Committee resolve to deal with any supplementary items not appearing on the agenda, as reported by the General Manager.

#### **4. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST**

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Ref: Part 2, Regulation 8(7) of the *Local Government (Meeting Procedures) Regulations 2015*.

Aldermen are requested to indicate where they may have any pecuniary or conflict of interest in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the committee has resolved to deal with.

#### **5. TRANSFER OF AGENDA ITEMS**

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Regulation 15 of the *Local Government (Meeting Procedures) Regulations 2015*.

A committee may close a part of a meeting to the public where a matter to be discussed falls within 15(2) of the above regulations.

In the event that the committee transfer an item to the closed portion, the reasons for doing so should be stated.

Are there any items which should be transferred from this agenda to the closed portion of the agenda, or from the closed to the open portion of the agenda?

## **6      REPORTS**

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### **6.1   Questions On Notice - Procedures** **File Ref: F18/5306**

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Report of the General Manager of 24 January 2018.

Delegation:    Council

**REPORT TITLE: QUESTIONS ON NOTICE - PROCEDURES****REPORT PROVIDED BY:** General Manager**1. Report Purpose and Community Benefit**

- 1.1. The purpose of this report is to seek the Committee's endorsement of a framework for dealing with Questions on Notice.

**2. Report Summary**

- 2.1. The lodgement of Questions on Notice is provided for under r 30 of the *Local Government (Meeting Procedures) Regulations 2015* ("the Regulations").
- 2.2. The legislation is silent in terms of the practicalities of dealing with such questions, and therefore a framework providing consistency would be beneficial.
- 2.3. The Council may determine any procedures relating to meetings as it considers appropriate under r 37 of the Regulations.
- 2.4. The Council has adopted procedures for dealing with Questions Without Notice which are provided for at Council committee meetings.
- 2.5. It therefore makes sense to use these procedures as the basis for dealing with Questions on Notice by applying those rules which are relevant to this forum.

**3. Recommendation*****That:***

1. ***The Council endorse the following parameters in defining the nature of a Question on Notice:***
  - (i) ***Where a Question on Notice may be submitted under r 30 of the Local Government (Meeting Procedures) Regulations 2015, the definition of the term "question" is the same as that adopted by the Council at its meeting on 4 December 2017, in respect to Questions Without Notice, ie:***

***"The purpose of a question on notice is to obtain information of a factual nature which requires minimal research or investigation. Any matter which requires detailed research, investigation, interpretation, and analysis and/or officer advice for Council's consideration, should be dealt with by a Notice of Motion, and will not be accepted by the General Manager as a question on notice.***

- 2. The following framework for dealing with Questions on Notice lodged under r 30 of the Local Government (Meeting Procedures) Regulations 2015, be adopted:**
- (i) Questions are to be lodged with the General Manager at least seven clear days prior to an ordinary meeting of the Council or a Council committee, as provided under r 30 (1) of the Local Government (Meeting Procedures) Regulations 2015.**
  - (ii) Questions which relate to another item which is listed on the same agenda of a Council or Council committee meeting will not be accepted by the General Manager.**
  - (iii) The General Manager will refuse to accept a question on notice for a Council committee if the subject matter does not relate to the Terms of Reference of the committee.**
  - (iv) In placing a question on the relevant agenda, the General Manager is to determine whether the subject matter necessitates placement on either the open or closed portion of the meeting, in consideration of r 15 of the Local Government (Meeting Procedures) Regulations 2015.**
  - (v) The General Manager may refuse a request to place a question on an agenda if it has been previously asked, is unclear, defamatory or improper, in which case the Alderman submitting the question will be notified accordingly.**
  - (vi) Where it has not been possible to prepare a response to a question for inclusion on the relevant agenda, the General Manager will note this accordingly on the agenda and provide advice as to the timing of the response.**
  - (vii) The chairman of a meeting must not permit any debate of a question on notice, or its response, and accordingly the only motion which may be accepted is that the information be received and noted.**



**4. Background**

- 4.1. Aldermen may submit Questions on Notice under r 30 of the *Local Government (Meeting Procedures) Regulations 2015*.
- 4.2. Whilst this has been a longstanding provision within the legislation, it has rarely been used by Aldermen of this Council.

**5. Proposal and Implementation**

- 5.1. It is prudent for the Council to consider its preferred approach in dealing with Questions on Notice, going forward, and accordingly, a framework has been recommended, utilising the common themes applying to Questions Without Notice, including the definition of a question, absence of debate, and capacity to reject in certain circumstances.

**6. Financial Implications**

- 6.1. Funding Source and Impact on Current Year Operating Result
  - 6.1.1. There are no financial implications arising from this report.

**7. Legal, Risk and Legislative Considerations**

- 7.1. Legislative considerations have been addressed.

**8. Delegation**

- 8.1. This matter is reserved to the Council.

*As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.*



N.D Heath  
**GENERAL MANAGER**

Date: 24 January 2018  
File Reference: F18/5306

**6.2 Councillor Expenses - Issues Paper**  
**File Ref: F18/5860**

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Memorandum of the General Manager of 25 January 2018 and attachments.

Delegation: Council



City of **HOBART**

## **MEMORANDUM: GOVERNANCE COMMITTEE**

### **Councillor Expenses - Issues Paper**

#### **Introduction**

The purpose of this memorandum is to request the Council's consideration that it provide a submission to the Board of Inquiry's review of allowances paid to Local Government Councillors.

#### **Background**

The Minister for Planning and Local Government, the Hon. Peter Gutwein MP, has appointed a Board of Inquiry to review allowances payable to Local Government Councillors.

The Terms of Reference for the review are:

The statutory roles of the respective mayor, deputy mayor and councillor;

The appropriateness of setting allowances by council type/size given the need to ensure good governance while balancing councils' financial sustainability and the interests of ratepayers;

Any significant changes to the role or functions of local government since the last review;

The method of indexing allowances each year;

Whether an additional allowance should be made available to councillors who undertake training in governance relevant to local government or who have recognised experience in governance relevant to local government;

The capacity of local government to attract potential future candidates; and

Any other factors considered relevant.

In addition the Board is to have regard to the range of allowances it will recommend being effective for a period of four years.

The members of the Board are, Mr David Barclay (President) and Ms Neroli Ellis (Deputy President), who are both full-time members of the Tasmanian Industrial Commission.

An Issues Paper (**attachment A**) has been produced to raise the key issues and provide background information which will be at the forefront of the Board's consideration. It provides some guidance to individuals and organisations contemplating making a submission. It is not intended to be exhaustive of the issues which may form part of the Board's consideration.

Written submissions close on 16 February 2018.

The Board also intends to hold public hearings to hear first-hand from those individuals and organisations who wish to make an oral presentation, or supplement a written submission. Subject to demand the tribunal will sit in convenient locations around the state. This will include as a minimum the North West Coast, Launceston and Hobart.

The public hearings will take place in the week 19 – 23 February 2018. To facilitate sitting arrangements individuals or organisations intending to make an oral representation should contact the Secretariat no later than 15 February 2018.

The report is to be provided by 2 April 2018.

### **Proposal**

In order to facilitate consideration of the matters raised in the Issues Paper, a discussion paper (**attachment B**) has been prepared by Council officers.

The discussion paper raises five points, namely:

Determination of allowances;

Is the current allowance reasonable considering there is no direct reference to workload in the formula?

Is an allowance (fee) a proper mechanism for recognising councillor service?

Is it more appropriate that councillors be remunerated through a salary and paid superannuation consistent with the *Superannuation Guarantee (Administration) Act 1992*?

Governance training and experience allowance.

In addition to the officer discussion paper, a comparison of allowances paid to other capital city elected members is also provided for the information of Aldermen. (**attachment C**).

### **RECOMMENDATION**

**That:**

1. ***That the Council provide a submission in response to the Board of Inquiry's review of allowances paid to Local Government Councillors based on the concepts raised in the officer discussion paper found at attachment B.***

**2. In the event the Council wishes to provide an oral submission to the Board of Inquiry, nominations be sought from interested Aldermen.**

*As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.*



N.D Heath  
**GENERAL MANAGER**

Date: 25 January 2018  
File Reference: F18/5860

Attachment A: Issues Paper ↓  
Attachment B: Discussion Paper ↓  
Attachment C: Capital City Allowances ↓

*Tasmanian Industrial Commission*

12 January 2018

Dear Stakeholder,

**Councillor Allowances Review Issues Paper**

A review of councillor allowances conducted by the members of the Tasmanian Industrial Commission, has commenced.

We have today released an *Issues Paper*, a copy of which is enclosed. The purpose of the paper is to assist those contemplating making a submission by identifying the task before the Board of Inquiry.

The paper includes an historical perspective of setting the Tasmanian local government allowances and traces allowance movements over time, inclusive of the current methodology for setting allowances.

The paper identifies the issues which need to be determined, as outlined in the Terms of Reference and provides options for consideration of local government allowances. Of significance, the role and function of councils has changed since the last formal review in 2008. There is also an emphasis on governance and the capacity to attract potential future candidates and the Board welcomes any submissions.

The Issues Paper and invitation to lodge a submission has been sent to interested parties including all stakeholders of Local Government. We would, in particular, welcome a submission from councillors and councils.

The closing date for written submissions is **Friday 16 February 2018**. There will also be the opportunity for oral representations during the week commencing 19 February 2018.

Should anyone seek to make oral submissions in addition to or in lieu of written submissions. Subject to demand, it is intended that hearings will be conducted at locations around the State.

We look forward to any submissions you wish to make.

Yours sincerely





**TASMANIA**

**TASMANIAN INDUSTRIAL COMMISSION**

## **COUNCILLOR ALLOWANCES**

### **ISSUES PAPER**

#### **Members**

David Barclay (TIC President)  
Neroli Ellis (TIC Deputy President)

**January 2018**

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**COUNCILLOR ALLOWANCES****ISSUES PAPER****1. Background**

**1.1** The Minister for Planning and Local Government, Peter Gutwein MP, has, pursuant to Section 215 of the Local Government Act 1993, appointed a Board of Inquiry (Board), to review allowances payable to Local Government Councillors.

**1.2** The Terms of Reference for the review are:

- (a) The statutory roles of the respective offices of mayor, deputy mayor and councillor;
- (b) The appropriateness of setting allowances by council type/size given the need to ensure good governance while balancing councils' financial sustainability and the interests of ratepayers;
- (c) Any significant changes to the role or functions of local government since the last review;
- (d) The method of indexing allowances each year;
- (e) Whether an additional allowance should be made available to councillors who undertake training in governance relevant to local government or who have recognised experience in governance relevant to local government;
- (f) The capacity of local government to attract potential future candidates; and
- (g) Any other factors considered relevant.

The Board is to have regard to the range of allowances it will recommend being effective for a period of four years.

**1.3** The members of the Board are: David Barclay (President) and Neroli Ellis (Deputy President), who are both full-time members of the Tasmanian Industrial Commission.

Similar reviews were conducted in 2000 (2000 report), 2004 (2004 report), and 2008 (2008 report).

**1.4** The report is to be provided by 2 April 2018.

**2. Submissions to the Board**

**2.1** The Board welcomes submissions from Local Government entities, organisations, Councillors and the general public.

**2.2** Submissions may be lodged in writing or electronically. In addition the Board will, subject to demand, hold public hearings in Queenstown, Burnie,



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Launceston, St Helens and Hobart. For a schedule of timelines and public hearing dates, please refer to Section 13.

- 2.3** This Issues Paper is intended to raise the key issues and provide background information which will be at the forefront of the Board's consideration. It provides some guidance to individuals and organisations contemplating making a submission. It is not intended to be exhaustive of the issues which may form part of the Board's consideration.

### **3. History of Allowances**

- 3.1** Between 1994 and 2000 Councils had discretion to pay allowances up to a maximum prescribed by regulation. The Regulations at the time prescribed the maximum allowances payable to mayors, deputy mayors and councillors, in three categories, based on the number of electors in each Municipal area.
- 3.2** In 1999, the Local Government Association of Tasmania (LGAT) and the State Government agreed that the allowances payable to elected councillors should be independently reviewed every four years rather than be set at the discretion of individual councils.
- 3.3** New provisions effective from 7 November 2000 were inserted into the Local Government Act 1993 (the Local Government Act) which removed the discretion and prescribed the manner by which the allowances were to be paid.
- 3.4** At the same time provision was made for individual Councillors to decide not to receive all or part of the prescribed allowance. The combined effect of these amendments was that payment of the prescribed allowance was mandatory, unless an individual declined to accept all or part of the allowance.
- 3.5** At regular intervals, the State Government has appointed members of the Tasmanian Industrial Commission as a Board of Inquiry under the Act to review the allowances. Independent reviews of the quantum of councillor allowances have been undertaken in 2000, 2004 and 2008.

### **4. Recent Board of Inquiry outcomes**

- 4.1** The recommendation of the Board of Inquiry in 2000 increased the allowances across the board, and increased the number of categories, based on number of electors, from three to five.
- 4.2** The report of the Board of Inquiry in 2004 recommended that the categories be determined by a formula based on a combination of the number of voters and total revenue. The number of categories was increased from five to seven. In addition, the report recommended that allowances be adjusted annually in line with movements in the Consumer Price Index (CPI).
- 4.3** Whilst distinguishing the allowance from the concept of salary, the 2004 report did acknowledge the potentially detrimental impact of council service on superannuation. As a consequence the 2004 determination contained an additional 9% component consistent with the Superannuation Guarantee Charge Act 1992.

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- 4.4** In both 2000 and 2004 the recommendations were adopted by the Minister of the day and were implemented via Regulation.
- 4.5** In mid-2008, a Board of Inquiry into Review of Allowances for Local Government Councillors (the 2008 Board of Inquiry) was established and the Minister adopted the recommendations. The Regulations were amended substituting a new Schedule, which specified the allowances payable to councillors and mayors and deputy mayors for the period of 12 months starting on 1 November 2008. The Schedule was updated as at 2014 and the Regulations provide for annual increases.
- 4.6** The 2008 Amendment Regulations also changed the definition of the inflationary factor used to determine the amount by which those allowances would be varied for each subsequent period of twelve months. In respect of each year after 1 November 2008 to 31 October 2009, the inflationary factor to be used now was the amount ascertained by dividing the Wage Price Index figure for the June quarter of that year by the Wage Price Index figure for the June quarter of the previous year.
- 4.7** In the normal course of events a new Board of Inquiry would have been established in 2012. However, at its meeting on 15 September 2011, the Premier's Local Government Council (PLGC)<sup>1</sup> considered that there be no full review of councillor allowances in 2012 and existing arrangements have continued by mutual agreement.

## **5. Statutory roles**

- 5.1** The Terms of Reference require the tribunal to consider "the statutory roles of the respective offices of mayor, deputy mayor and councillor"

### **Council**

- 5.2** A council is a body corporate, created under the Local Government Act, and is responsible for its municipal area. The broad functions of councils are:

- To provide for the health, safety and welfare of the community;
- To represent and promote the interests of the community; and
- To provide for the peace, order and good government of the municipal area.

Given these functions, the responsibilities of a council include:

- Planning for and providing services, facilities and infrastructure for the community;
- Undertaking strategic land use planning for the municipal area;

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1. The PLGC is a high-level forum for discussions between the State Government and local government on issues of statewide significance. It comprises the Premier, who chairs the Council, the Minister responsible for Local Government, the President of the Local Government Association of Tasmania (LGAT) and seven elected local government representatives from various Tasmanian councils. Local government representation on the PLGC is drawn from the General Management Committee of the Local Government Association of Tasmania. Members can be mayors, deputy mayors or councillors.

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- Making and enforcing by-laws;
- Raising revenue to enable council to perform its functions;
- Undertaking long term strategic financial and asset management planning; and
- Advocating proposals that are in the best interests of the community, now and in the future.

### 5.3 Councillors

Individual councillors have no decision-making power. This lies with the collective group, which is the council.

The functions of individual councillors are to:

- Represent the community;
- Act in the best interests of the community;
- Facilitate communications with the community;
- Participate in the activities of council; and
- Undertake duties and responsibilities as authorised by council.

The functions of councillors acting collectively as the Council are to:

- Develop and monitor the implementation of strategic plans and budgets;
- Determine and monitor the application of policies, plans and programs for:
  - The efficient and effective provision of services and facilities,
  - The efficient and effective management of assets, and
  - The fair and equitable treatment of council employees;
- Facilitate and encourage the planning and development of the municipal area in the best interests of the community;
- Appoint and monitor the performance of the General Manager;
- Determine and review the council's resource allocation and expenditure activities; and
- Monitor the manner in which services are provided by the council.

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**5.4 Mayor**

The principal roles of the Mayor as defined by the Local Government Act are to:

- Act as community leader of the municipal area;
- Chair council meetings in a manner that supports decision-making processes;
- Act as spokesperson for the council, respond to the media and undertake ceremonial duties;
- Promote good governance by, and within, the council;
- Represent the council on regional organisations and at intergovernmental forums at regional, state and federal levels;
- Liaise with the General Manager on council activities; and
- Oversee and advise councillors in the performance of their responsibilities.

In addition, following the recent amendment, a Mayor has any function designated in a Ministerial order made under section 27A of the Local Government Act. To date no Order under that section has been made.

**5.5 Deputy Mayor**

The role of the Deputy Mayor is to act in the position of Mayor in the Mayor's absence or if authorised in writing to do so by the Mayor.

**Are there views on the requirement of all councils, regardless of size, to maintain all statutory roles and current functions of the Mayor, Deputy Mayor and Councillors? The Board is interested in receiving submissions on the value and the justification of the difference in allowance for Deputy Mayors in smaller councils.**

**6. Categorisation of Councils to determine allowances.**

- 6.1** The Terms of Reference require the tribunal to review "the appropriateness of setting allowances by council type/size given the need to ensure good governance while balancing councils' financial sustainability and the interests of ratepayers."
- 6.2** The allowances paid to the Mayor, Deputy Mayor and Councillors in each Council are not the same.
- 6.3** Each council is classified into one of seven '*Allowance Categories*'. The mayor, deputy mayors and councilors in all of the councils in the same category receive the same allowances (subject to any individual exercising their discretion to not to receive all or part of the prescribed allowance).
- 6.4** Originally the categorisation of Councils was based on the number of voters in the municipal area of a Council. The report of the 2004 Inquiry introduced the variable of total revenue in addition to number of voters. The formula used for determining categories is:

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$$\frac{V \times R}{1 \text{ million}}$$

Where V equals number of voters and R equals total revenue

- 6.5** According to the report of the 2004 Inquiry, the reason for this change was to recognise that Councillors are responsible for the oversight and strategic management of substantial funds derived from ratepayers and other sources. Whilst there is a loose correlation between number of voters and revenue, it is certainly not a precise one. It was felt that this change would broaden the basis for the placement of Councils within categories.
- 6.6** Councils are placed in allowance categories on the basis of the result of the calculation using the formula. Councils with similar scores are clustered into a category.
- 6.7** Currently there are seven category groups. However in the past there have been fewer categories.<sup>2</sup>
- 6.8** Table 2 shows the formula calculation using data for 2016-17. Noting that Kentish was moved from category 7 to 6 in 2012, the grouping of councils into seven categories appears to be reasonable, and consistent with the 2008 categorisation, albeit with some variation in the order of the calculation totals within the categories.

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2. Three prior to 2000, five between 2000 and 2004, and seven from 2004

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**Table 2 Categories of Councils using 2016-17 data**

Council Categories based on 2016-17 data				
Current Category	Council	Voters 2017 <sup>3</sup>	Revenue 2016-17 <sup>4</sup> (\$'000)	Formula Calculation 2017
1	Launceston	46,948	103,102	4,840
	Hobart	36,568	126,006	4,608
2	Clarence	41,711	63,015	2,628
	Glenorchy	33,162	54,002	1,791
	Kingborough	26,992	38,510	1,039
3	Devonport	18,715	39,773	744
	Burnie	14,146	35,541	503
	Central Coast	16,813	26,416	444
	West Tamar	17,460	24,433	427
4	Huon Valley	12,247	24,136	296
	Meander Valley	14,671	19,325	284
	Sorell	10,873	17,177	187
	Waratah-Wynyard	10,480	17,615	185
	Brighton	11,811	14,359	170
	Northern Midlands	9,886	17,096	169
5	Latrobe	8,526	12,418	106
	Derwent Valley	7,365	12,951	95
	Circular Head	5,378	14,122	76
	Break O'Day	4,939	13,757	68
	Dorset	5,134	12,609	65
	George Town	5,027	10,622	53
6	Southern Midlands	4,462	10,233	46
	Glamorgan Spring Bay	3,629	12,495	45
	Kentish <sup>5</sup>	4,650	9,436	44
	West Coast	2,928	10,764	32
7	Tasman	1,857	6,386	12
	Central Highlands	1,634	6,550	11
	King Island	1,106	6,387	7
	Flinders	685	4,331	3

3. Data from national enrolment database provided by the Tasmanian Electoral Office

4. Recurrent operating revenue data provided by Tasmanian Audit Office

5. Changed from category 7 to 6 in the *Local Government (General) Amendment Regulations 2012*.

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**The Board is keen to hear whether this formula has proved to be appropriate. Are there Councils that feel they are inappropriately categorised and, if so, why? Is there a case for any additional or fewer categories?**

#### **6.9 Financial sustainability of allowances**

Previous submissions in relation to the cost of allowances have generally fallen into two categories.

In the case of larger Councils, it has been suggested that the cost of allowances (governance) is insignificant when considered in the context of total revenue (or expenditure).

On the other hand a number of smaller Councils have expressed the view that the cost of governance is significant, and raises issues of capacity to pay. It is clear that the relative cost impact is more profound in the smaller Councils.

**Is the cost impact something the Board should take into account, and if so, how should it be addressed?**

#### **7. Significant changes since the last review**

**7.1** The Terms of Reference require the tribunal to take into account "any significant changes to the role or functions of local government since the last review"

**7.2** Local government roles and functions have expanded in response to community expectations and a changing regulatory environment, and this, coupled with an extremely tight budgetary climate across all spheres of government has resulted in additional complexity.

**Key changes to the role and functions of local government are outlined below:**

#### **7.4 Mayor Eligibility**

In 2013, the Local Government Act was amended to prevent dual representation in both the Tasmanian Parliament and local government, and introduce all-in, all-out local government elections every four years, with four-year terms for mayors and deputy mayors

The Local Government Amendment (Mayoral Candidate Eligibility) Act 2014 commenced on 11 September 2014. This legislation removed the eligibility requirement that prevented people from nominating as a candidate for the office of mayor or deputy mayor unless the person had 12 months prior experience as a Tasmanian councillor.

Any person is now eligible to nominate as a candidate for the office of mayor or deputy mayor, provided that they are eligible to nominate as a candidate for the office of councillor under Part 15 of the Local Government Act. In order for a person to accept the office of mayor or deputy mayor, they must also be successful in being elected to the office of councillor.

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**7.5 Financial and Asset Management**

The *Local Government (Miscellaneous Amendments) Act 2013* facilitated some financial and asset management reforms from February 2014 which impact on the roles of councillors, deputy mayors and mayors.

The legislation introduced a major reform to mandate long-term financial and strategic asset management planning for Tasmanian councils, as well as other related financial and asset management initiatives. The reforms include a requirement for councils to:

- maintain long-term financial management and strategic asset management plans (10 years), asset management policies and financial and asset management strategies;
- maintain an Audit Panel;
- report performance against financial and asset management indicators in council financial statements; and
- review their long-term financial management and strategic asset management plans, financial management and asset management strategies and asset management policy every four years.

In addition to the new legislation, the Governor made three Orders relating to the asset management reforms which:

- outline the minimum requirements necessary for all long-term financial and asset management planning documents;
- list the financial and asset management indicators; and
- provide guidance to councils on the structure, membership and primary functions of audit panels.

**7.6 New local government code of conduct framework**

The *Local Government Amendment (Code of Conduct) Act 2015* commenced on 13 April 2016. That Act provided for a new local government code of conduct framework for Tasmanian councillors. The local government code of conduct framework is now prescribed under Part 3, Division 3A (Code of conduct, complaints and complaint resolution) of the Local Government Act. A Model Code of Conduct (made by order of the Minister) prescribes the standard of behaviour that all Tasmanian councillors are required to meet when performing their role.

**7.7 Reimbursement of Expenses**

The Local Government (General) Regulations 2015 included an amendment to enable councillors to be reimbursed for reasonable expenses (Regulation 43) in relation to internet usage, stationery and office supplies, and 'the care of any person who is dependent on the councillor and who requires the care while the councillor is carrying out his or her duties or functions as a councillor', in accordance with the policy adopted under Schedule 5 of the Local Government Act.



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**7.8 Councillor Numbers**

Since 2008, there have been changes to the number of councillors of some Councils. The changes are summarised in table 3. The changes arose from recommendations of Board of Inquiry set up to review councillor numbers.

**Table 3 Changes to the Number of Councillors since 2008**

Council	Previous number of councillors	Current number of councillors	Date of change
Central Coast	12	9	26 June 2013
Derwent Valley	9	8	12 February 2014
Devonport City	12	9	26 June 2013
Glamorgan-Spring Bay	9	8	26 June 2013
Glenorchy City	12	10	26 June 2013
Kingborough	12	10	26 June 2013
Southern Midlands	9	7	12 February 2014
Tasman	9	7	26 June 2013
Waratah-Wynyard	10	8	12 February 2014

**7.9 Responsibility for Water and Sewerage services**

Tasmanian water and sewerage services are currently provided by TasWater, a council-owned corporation established by the *Water and Sewerage Corporation Act 2012*. TasWater is licensed under the *Water and Sewerage Industry Act 2008* and is subject to economic, environmental and health regulation by independent regulatory bodies.

Prior to 1 July 2009, the State's water services were provided by three regional bulk water authorities and 28 of the 29 councils. Collectively, the councils were responsible for administering over 90 water supply schemes while reticulated sewerage waste water treatment services were provided by 27 councils. In 2006 a Ministerial Water and Sewerage Taskforce was established to investigate the structural and regulatory arrangements in the water and sewerage sector. Following a detailed assessment of the issues, the final model for structural reform was endorsed by the PLGC in February 2008.

Coming into effect in 2009, the *Water and Sewerage Corporations Act 2008* changed the structural elements of the water and sewerage sector in Tasmania. It provided for the establishment of three regional corporations based on the northern, north-western and southern regions of the State- (Ben Lomond Water, Cradle Mountain Water, Southern Water) that managed the provision of water and wastewater services to their regions. A fourth corporation, Onstream, owned by the regional corporations was also established by the Act. The role of this corporation was to provide common services to the regional corporations.

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The regional corporations operated under local government ownership, with any dividends to be payable to owner councils. The Act transferred of water and sewerage assets, liabilities and employees of councils and bulk water authorities to the regional corporations or the common services corporation.

A further change occurred in 2012. The Water and Sewerage Corporation Act 2012 established a single water and sewerage corporation (TasWater) to manage the provision of water and wastewater services on a state-wide basis. The Act provided for the transfer of the assets, liabilities and employees of the existing water and sewerage businesses to the new Corporation.

The Corporation is owned by the State's Local Government councils and any dividends, tax equivalents payments and guarantee fees will be payable to the owner councils. The Act also established new governance arrangements for the new single entity structure. As before they were based on those that apply to State-owned companies in Tasmania, but adapted to be relevant for Local Government ownership.

On 7 March 2017, the Premier, the Hon Will Hodgman MP, announced the State Government's plan to establish a new Government-owned entity to which ownership and responsibility for the State's water and sewerage industry would be transferred. At the time of this Inquiry there has not been any change to the ownership of the Corporation and it remains under the control of the Councils.

#### **7.10 Amalgamations and Shared Services**

A majority of Councils have participated in feasibility studies for voluntary amalgamations or shared services, supported by the State Government. Four of those studies are now complete and there are some common learnings/themes that have come out of all of them.

**Do the changes identified above have any implications for allowances; if so, in what way? Are there other changes to the role and function of local government impacting on this review?**

### **8. Annual Indexation**

- 8.1** The Terms of Reference require the tribunal to determine "the method of indexing allowances each year."
- 8.2** Since the making of the 2008 Amendment Regulations, allowances have increased annually by the relevant inflationary factor. Inflationary factor is currently defined in section 42 of the 2015 Regulations. As stated above, it is, in respect of each calendar year, the amount ascertained by dividing the Wage Price Index figure for the June quarter of that year by the Wage Price Index figure for the June quarter of the previous calendar year. Wage Price Index (WPI) measures changes in wages and salaries over time, unaffected by changes in the quality or quantity of work performed, or changes in the composition of the labour market.
- 8.3** The WPI has been adopted by the Tasmanian Industrial Commission as the most relevant index for the purpose of State Wage Case determinations.

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**Table 4 Annual Increases in Allowances since 2008**

Date	Increase	Reason
1 November 2008	various	Reset by 2008 Inquiry as set out in Schedule 4 of the <i>Local Government (General) Regulations 2005</i>
1 November 2009	4.3%	Change in ABS Wage Price Index-Tasmania
1 November 2010	3.7%	Change in ABS Wage Price Index-Tasmania
1 November 2017	3.5%	Change in ABS Wage Price Index-Tasmania
1 November 2012	3.2%	Change in ABS Wage Price Index-Tasmania
1 November 2013	2.9%	Change in ABS Wage Price Index-Tasmania
1 November 2014	2.3%	Change in ABS Wage Price Index-Tasmania
1 November 2015	2.5%	Change in ABS Wage Price Index-Tasmania
1 November 2016	2.2%	Change in ABS Wage Price Index-Tasmania
1 November 2017	2.1%	Change in ABS Wage Price Index-Tasmania

The actual allowances applicable each year are shown in Tables 5A–C

**Table 5A Allowances for Councillors since 2008**

Councillor - Allowance (\$ pa)										
Cat	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1	27,278	28,451	29,504	30,536	31,513	32,427	33,173	34,002	34,750	35,842
2	22,083	23,033	23,885	24,721	25,512	26,252	26,856	27,527	28,133	28,725
3	16,724	17,443	18,089	18,722	19,321	19,881	20,338	20,846	21,305	21,754
4	11,366	11,855	12,293	12,724	13,131	13,512	13,823	14,169	14,480	14,785
5	9,500	9,909	10,275	10,635	10,975	11,293	11,553	11,842	12,102	12,357
6	8,000	8,344	8,653	8,956	9,242	9,510	9,729	9,972	10,192	10,406
7	7,000	7,301	7,571	7,836	8,087	8,322	8,513	8,726	8,918	9,106

\* Allowances payable to Mayors and Deputy Mayors are in addition to those payable to a Councillor.

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**Table 5B Additional Allowances for Deputy Mayors since 2008**

Deputy Mayor - Additional Allowance (\$ pa)										
Cat	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1	17,617	18,375	19,054	19,721	20,352	20,942	21,424	21,960	22,443	22,915
2	15,344	16,004	16,596	17,177	17,726	18,240	18,660	19,127	19,548	19,960
3	13,071	13,633	14,137	14,632	15,101	15,539	15,896	16,293	16,652	17,002
4	10,797	11,261	11,678	12,087	12,473	12,835	13,130	13,458	13,754	14,044
5	9,092	9,483	9,834	10,178	10,504	10,809	11,058	11,334	11,584	11,828
6	7,956	8,298	8,605	8,906	9,191	9,458	9,676	9,918	10,136	10,349
7	7,388	7,706	7,991	8,270	8,535	8,783	8,985	9,210	9,421	9,610

**Table 5C Additional Allowances for Mayors since 2008**

Mayor - Additional Allowance (\$ pa)										
Cat	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1	68,195	71,127	73,759	76,341	78,784	81,069	82,934	85,007	86,877	88,706
2	55,206	57,580	59,710	61,800	63,778	65,628	67,137	68,815	70,329	71,810
3	41,810	43,608	45,221	46,804	48,302	49,703	50,846	52,117	53,264	54,385
4	28,414	29,636	30,732	31,808	32,826	33,778	34,555	35,419	36,198	36,960
5	23,750	24,771	25,688	26,587	27,438	28,234	28,883	29,605	30,256	30,893
6	20,000	20,860	21,632	22,389	23,105	23,775	24,322	24,930	25,479	26,015
7	17,500	18,253	18,928	19,590	20,217	20,830	21,281	21,813	22,293	22,762

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**TABLE 6**  
**Indexed allowances payable to elected members from 1 November 2017**

Current Category	Council	Allowance for Councillors	Additional allowance for Deputy Mayors	Additional Allowance for Mayors
1	Launceston	35,482	22,915	88,706
	Hobart	35,482	22,915	88,706
2	Clarence	28,725	19,960	71,810
	Glenorchy	28,725	19,960	71,810
	Kingborough	28,725	19,960	71,810
3	Devonport	21,754	17,002	54,385
	Burnie	21,754	17,002	54,385
	Central Coast	21,754	17,002	54,385
	West Tamar	21,754	17,002	54,385
4	Huon Valley	14,785	14,004	39,960
	Meander Valley	14,785	14,004	39,960
	Sorell	14,785	14,004	39,960
	Waratah-Wynyard	14,785	14,004	39,960
	Brighton	14,785	14,004	39,960
	Northern Midlands	14,785	14,004	39,960
5	Latrobe	12,357	11,828	30,893
	Derwent Valley	12,357	11,828	30,893
	Circular Head	12,357	11,828	30,893
	Break O'Day	12,357	11,828	30,893
	Dorset	12,357	11,828	30,893
	George Town	12,357	11,828	30,893
6	Southern Midlands	10,406	10,349	26,015
	Glamorgan Spring Bay	10,406	10,349	26,015
	Kentish	10,406	10,349	26,015
	West Coast	10,406	10,349	26,015
7	Tasman	9,106	9,610	22,762
	Central Highlands	9,106	9,610	22,762
	King Island	9,106	6,387	22,762
	Flinders	9,106	4,331	22,762

**The Board would like feedback on the annual indexation of the allowance based on the Wage Price Index?**

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**9. Governance training and experience allowance**

- 9.1** The Terms of Reference require the tribunal to determine "*whether an additional allowance should be made available to councillors who undertake training in governance relevant to local government or who have recognised experience in governance relevant to local government*"
- 9.2** There are currently discretionary and different policies adopted by most councils that provide incentives or reimbursement for costs involved in the engagement of relevant training.
- 9.3** The training and development activities may range from induction programs, conferences, local government sector development activities, professional development, study and inspection tours, including sister city tours, both interstate and internationally and local workshops and seminars.
- 9.4** In the most recent LGAT Census, out of the 101 councillors surveyed, 27.7 percent revealed they had not engaged in any type of council role related training<sup>6</sup>. Although a large number of respondents identified they had engaged in some kind of training, 48.6 percent indicated that they experienced difficulty in doing so including taking time off full time employment, costs, transport and perceived lack of support from Council.
- 9.5** The majority of respondents were newly elected to council (44.8 percent). Almost twenty-three per cent had served on Council for between 4 and 10 years, 19 percent for between 10 and 20 years, 11.4 percent for less than 4 years and 1.9 percent had served for more than 20 years.
- 9.6** The 2014 LGAT Census also revealed that the majority of respondents were self-employed (33.7 per cent). Almost 27 per cent were in full time employment, 20.2 percent were retired and 9.6 per cent were in part time were employed in part time work. Some 73.9 per cent of respondents were employed in the private sector and 11.6 per cent worked in community and non-government sector and for the State Government.
- 9.7** LGAT offer relevant training courses and programs for Councillors and Mayors, including the LGAT Annual Local Government Conference, Mayors Professional Development workshop and the LGAT General Meeting. LGAT also publish a 'Councillor Toolkit' to assist councillors with the practical information regarding their responsibilities as councillors.
- 9.8** There are currently no mandatory training requirements for councillors.

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6. 2014 LGAT Tasmanian Local Government Elected Member Census

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**The Board would like submissions on;**

**(a) Whether an additional allowance, the current reimbursement practice or other options should be provided to support councillors to undertake relevant governance training.**

**(b) Should there be mandatory governance training for all Councillors and/or a fixed budget allocation for other professional development requirements?**

**(c) How (if at all) should previous "recognised experience" be assessed, and**

**(d) Whether it is appropriate to offer an additional allowance for those councillors who have previous experience in governance related to local government?**

**10. Attraction of future candidates**

- 10.1** The Terms of Reference require the tribunal to determine "*the capacity of local government to attract potential future candidates*"
- 10.2** A common feature of submissions to past reviews is the notion that the allowance should be sufficiently adequate so as not to act as a disincentive, or indeed barrier, to otherwise interested and worthy individuals to stand for Local Government office, either as a Councillor or for mayoral office.
- 10.3** The most recent LGAT Census outlined that there was a slight increase in female elected officers to 37.1 per cent, however the majority (62.9 per cent) are male with the majority of respondents aged between 56-65 years of age with only one respondent aged less than 25 years old. 90.5 per cent of respondents were born in Australia<sup>7</sup>.

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7. 2014 LGAT Tasmanian Local Government Elected Member Census

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**TABLE 7 Statistical analysis of Local Government elections since 2000**

	2000	2002	2004	2007	2009	2011	2014
Councils having Elections	29	28	29	29	29	29	29
Councillor Vacancies	153	142	156	149	150	147	263
Councillor Candidates	314	298	348	307	316	283	482
Mayoral Vacancies	29	28	29	29	29	29	29
Mayoral Candidates	63	68	65	44	55	62	91
Deputy Mayoral Vacancies	29	28	29	29	29	29	29
Deputy Mayoral Candidates	77	71	74	76	78	76	143

- 10.4** The above analysis shows a consistent pattern, particularly since 2000. For councillors the current ratio between candidates and vacancies is around 2:1 For Mayors and Deputy Mayors the ratio is slightly higher at 3:1 and 5:1 respectively.

**Whilst in overall terms the number of candidates comfortably exceeds the number of vacancies, is a ratio of approximately two candidates sufficient to provide robust representation of the municipal communities?**

**Secondly, there may be sufficient candidates overall, but are certain demographic categories significantly underrepresented, and is this a matter for concern? If this is the case, what may be the impediments to a diverse council?**

#### **11. Any other factors considered relevant**

- 11.1** It is noted that there appears to be public interest in the issue of superannuation for councillors. By way of background, an additional one off adjustment of 9% was added to the allowance to compensate for the absence of superannuation, as a consequence of the 2004 determination (see 4.3).
- 11.2** Councillors are not generally regarded as employees for taxation and superannuation purposes and are expressly excluded in the *Superannuation Guarantee (Administration) Act 1992*. This means that a council is generally not obliged to pay superannuation contribution to elected councillors.



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**The Board welcomes submissions on any other relevant factors for consideration.**

**13. Submissions and Public Hearings**

- 13.1** The Board invites submissions in writing or submitted electronically and/or oral representations.

**Written Submissions**

- 13.2** The closing date for written submissions is **5.00 pm Friday 16 February 2018**. Electronic format (email) is strongly preferred.

**Oral Representations**

- 13.3** The Board intends to hold public hearings to hear first-hand from those individuals and organization who wish to make an oral presentation, or supplement a written submission. Subject to demand the tribunal will sit in convenient locations around the state. This will include as a minimum the North West Coast, Launceston and Hobart, but could include other locations subject to demand.
- 13.4** The public hearings will take place in the week 19-23 February 2018.
- 13.5** To facilitate sitting arrangements, individuals or organisations intending to make an oral representation should contact the Secretariat not later than Thursday 15 February

**Submissions to be Public Unless Otherwise Indicated**

- 13.6** The default position is that submissions and oral representations will be public. However, should any individual or organisation wish to make a private submission or oral representation, the Tribunal will respect such wish, provided it is clearly indicated.

**14 Final Report**

- 14.1** It is anticipated that the final Report will be presented in April 2018.

**15 Secretariat**

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**Officer Discussion Paper****Introduction**

The Tasmanian Industrial Commission (TIC) has released an Issues Paper seeking submissions on a number of issues pertaining to Councillor Allowances.

The TIC paper raises a number of fundamental issues and questions about the role and status of Aldermen and how the remuneration for Councillors should be determined.

**Determination of Allowances**

Aldermen are currently paid an allowance for undertaking the duties of office. In addition, the Lord Mayor and Deputy Lord Mayor are paid an additional allowance in recognition of the extra duties they undertake.

The determination of the allowance is based on a formula using population and revenue and the annual allowance is adjusted by an adjustment factor calculated by multiplying the allowances for the previous year by the inflationary factor for the current year (this adjustment occurs on 1 November each year).

The inflationary factor is ascertained by dividing the Wage Price Index (WPI) figure for the June quarter of that year by the WPI figure for the June quarter of the previous calendar year. (The WPI measures change in wages and salaries over time, unaffected by changes in the quality or quantity of work performed, or changes in the composition of the labour market). The WPI has been adopted by the TIC as the most relevant index for the purpose of State Wage Case determinations.

The 2004 Board of Inquiry Review introduced the current formula ( $V \times R$  divided by 1 million). Most submissions to the 2008 Board of Inquiry Review thought the formula was appropriate. The combination of population and total revenue is widely used for the categorization of councils in other States.

**Questions for Consideration**

In considering the Issues Paper, there are some fundamental questions which the Council may like to consider, including:

**Is the current allowance reasonable considering there is no direct reference to workload in the formula?**

The Board of Inquiry Report (2008) found that the workload for councillors is significant and is typically in the range of 10 to 25 hours per week.

It is likely that the workload is higher with larger Councils and there is no doubt that the complexity of councillor responsibilities has increased over time.

In 2008, HCC submitted that Aldermen should be paid a capital city loading of 40%, due to:

- Responsibility for decision making of significant events;
- Significant heritage and natural environment;
- Major financial and commercial hub, tourism gateway;
- Influx of non-residents.

The Board, whilst agreeing that the above points had some validity in assessing the workload and responsibility of Aldermen, were not convinced that the other city in category 1, Launceston, could not mount a similar argument. The Board was of the view that both cities were comparable in terms of aldermanic responsibility and the case for the capital city loading had not been established.

A recent review of the workload of the Lord Mayor, including meetings with internal and external parties; official calls; council meetings, committee meetings, aldermanic workshops; STCA, CCCLM, LGAT; media interviews/events; attendance at events (external to Council events); civic receptions (hosted by the Council or Lord Mayor); full days on international delegations, demonstrates the amount of hours which typically go into being a Lord Mayor of a capital city council.

The review showed that during 2016/17, the Lord Mayor participated/attended 815 events (as described in the paragraph above) which involved approximately 866 hours of her time. From July 2017 to December 2017, the Lord Mayor participated/attended 436 events (as described in the paragraph above) which involved approximately 533 hours of her time.

Consequently the workload for the Deputy Lord Mayor and Aldermen has also increased, together with the complexity of overseeing the management of a fast-growing capital city.

The current formula is calculated using population and income with no reference to or consideration of workload. There is a strong argument that the formula needs expanding and should include a workload factor which takes into account the number of agenda items considered by Aldermen, the number of events attended by Aldermen and the range and level of services provided by a Council.

It is also noted that in terms of Australian capital cities, the allowance paid to Hobart elected members is either lower or on par than all other capital cities. Many of those cities, in particular Darwin, Perth and Adelaide, either have limited or no planning authority responsibility, so that fact alone is an argument for an increased allowance in terms of comparative responsibility.

The Board may also like to give consideration to the term 'allowance' and whether this is the most appropriate and contemporary term to use to describe the monetary recompense received by elected members.

Given the workload for councillors is significant and there is no doubt that the complexity of councillor responsibilities has increased over time, it is perhaps timely to move to using the term 'fee' instead of 'allowance'.

#### **SUGGESTED RESPONSE**

***That the Council submit that the current formula for determining Aldermanic allowances fails to recognise the considerable workload in overseeing the management of a fast-growing capital city and that the Board be requested to consider an appropriate loading in recognition of Hobart capital city status.***

***That the Council request that the Board give consideration to using the term 'fee' rather than 'allowance'.***

#### **Is an allowance (fee) a proper mechanism for recognising Councillor service?**

In 2008, many submissions urged the Board of Inquiry to accept that the allowance, however described, should be likened to remuneration. Some suggested that the allowance should be linked as a percentage of a State Parliamentary backbencher or that it should be linked to public sector salaries.

The Board was of the view that councillor recompense should continue to be treated as an allowance rather than remuneration linked to State politicians.

The Board's view was that councillors contribute considerable time and effort to their Council activities. They are elected and with that comes the attendant accountability of the ballot box and continuous public scrutiny but it is a different type of accountability to that which typically applies to an employer/employee relationship.

An employer has the common law right to demand what is to be done, how it is to be done and in what time frame.

Further, the capacity to control and direct does not apply in Local Government. Whilst the Mayor has the responsibility to '*oversee the councillors in the performance of their functions,*' it would seem that the only historical sanction available is the capacity of the Minister to remove a councillor from office in the event that a councillor is absent from three consecutive ordinary meetings of the Council. This position has changed somewhat with the changes to Part 12B of the Act which allows the Minister to issue Performance Improvement Directions to individual Aldermen and to remove individual councillors following due process.

The Board was of the view that the circumstances of Local Government representation does not lend itself to any notion of hourly rates of pay. The unequal workload between councillors of the same council, a consequence of a number of factors including personal choice, also mitigates against the hourly rate approach.

That said, the Board did acknowledge that a properly constructed allowance regime should include a component to recognise income foregone, or the 'opportunity cost' of serving on Council.

Submissions to the 2008 Inquiry also stated that allowances as currently prescribed led to a situation whereby quality candidates (those with a professional backgrounds) were not attracted to stand for Council.

A number of submissions suggested that the nature of the allowance meant that overwhelmingly councillors needed independent financial means, which was not affected by council service, or alternatively, were retired.

The allowance structure discouraged younger, employed individuals from standing.

The Board was of the view that the allowance at its current level may contribute to an in-balance in the age and gender of people standing for local government.

The concept of a 'sitting fee' has also been raised in past reviews with a view that sitting fees are open to manipulation for the purpose of financial gain, thus being in conflict with the objective of efficiency in governance.

The Board was in agreement that it is widely accepted that councillors are to be paid an appropriate allowance and the only issue is quantum.

A range of mechanisms are used to determine allowances in other capital city councils. For example, the remuneration Tribunal of South Australia determines allowances for elected members in South Australia whilst allowances for Melbourne City Council are fixed by Order of Council.

#### **SUGGESTED RESPONSE**

***The Council submit that whilst it agrees that an allowance/fee is an appropriate mechanism to recognise the contribution of elected members, the real issue is the quantum and method of determination of the allowance/fee. The Council further submits that the Independent Board of Inquiry is the most appropriate mechanism to determine that allowance/fee.***

#### **Is it more appropriate that Councillors be remunerated through a salary and paid superannuation consistent with the *Superannuation Guarantee (Administration) Act 1992*?**

The TIC Issues Paper notes that there has been public interest in the issue of superannuation for councillors. As explained in the Issues Paper, there was an additional one off adjustment of 9% added to the allowance to compensate for the absence of superannuation, as a consequence of the 2004 Board of Inquiry determination.

Councillors are generally not regarded as employees for taxation and superannuation purposes and are expressly excluded in the *Superannuation Guarantee (Administration) Act 1992*. This means that Council is generally not obliged to pay superannuation contribution to elected councillors.

Advice provided to the Council from Wise Lord and Ferguson in September 2015 stated that an obligation for superannuation would arise should the Council decide to elect to have Aldermen treated as employees in accordance with section 446-5 of the *Tax Administration Act 1953* via a unanimous resolution.

Councillors may make a personal contribution to superannuation from their allowance, or they may arrange to sacrifice an amount in favour of superannuation. A personal contribution is done by councillors making a payment to their own superannuation fund which may or may not be tax deductible, depending upon the individual circumstances of each councillor. This is paid with their own funds after receipt of the allowance. Councillors may also arrange with the Council for an amount to be sacrificed in favor of superannuation. The amount sacrificed is treated as an employer contribution by the *Superannuation Industry (Supervision) Act 1993* and will be taxed as such in the superannuation fund.

Research undertaken as to whether not-for-profit boards pay superannuation in addition to a sitting fee suggests that there is some variation in that some board members are paid superannuation whilst others are not. However, in other sectors, superannuation is paid in addition to the sitting fee.

The research suggests that the lack of consistency around the payment of superannuation to board members is an issue which is being explored further amongst various areas of the community.

**SUGGESTED RESPONSE**

*The Council submits that there should be a recognition for superannuation when determining the quantum of the allowance/fee. In the normal course of events (employer/employee relationship) the salary is set and the superannuation is paid on top of this as a percentage of the gross salary as determined by the Superannuation Guarantee (Administration) Act 1992.*

*It is submitted that this arrangement should apply for elected members, in other words determine the appropriate allowance/fee and then add the superannuation onto that amount. This approach avoids confusion about whether superannuation is or is not included in the allowance and also provides greater transparency around the payment of superannuation. This approach also allows for the allowance and superannuation figures to be adjusted separately (allowance by the Board and indexation and superannuation in accordance with the Superannuation Guarantee (Administration) Act 1992.*

**Governance Training and Experience Allowance**

The Board raises the question of an additional allowance for elected members to undertake on-going governance training and relevant professional development.

The concept of continuous learning is supported and Council does include in its annual budget an allocation for professional development, attending conferences, etc.

The idea of setting an annual amount as part of the allowance (as per Darwin City Council) is very much worthy of consideration as it provides greater transparency and consistency across all councils and in some respects facilitates on-going learning. This position is underscored by the fact that the 2014 LGAT elected member survey showed that of the 101 elected members surveyed, 27.7% said that they had not engaged in any type of Council role related training at all.

Further, the Council at its meeting on 4 December 2017, resolved to support the concept of professional development being included in the Declaration of Office and the development of an industry wide policy on professional development for elected members. The inclusion of an allowance is a natural extension of this decision.

The real issue is not the concept of training and professional development but how the Board determines the quantum of that allowance and to ensure the allowance is reflective of the duties and responsibilities elected for members of a capital city.

There are a range of topics which elected members, in order to do their job effectively and to the best of their ability, could be included as the basis of a plan, and could include:

- Leadership skills training
- Relationship Management and teamwork training
- Communication Skills training
- Land Use Planning
- Financial Management
- Environmental and Asset Management
- Strategy
- Presentation Skills training

The Australian Institute of Company Directors courses provides many opportunities which are relevant to local government but with costs up to \$10,000 this can be prohibitive for some smaller councils.

This demonstrates that in order to keep elected members skilled with the information required to undertake their roles to assist them to make informed decisions then the concept of continuous learning is strongly supported with an appropriate quantum to ensure the allowance is reflective of the duties and responsibilities of elected members of a capital city.

Other issues that should be considered are the proper definitions of professional development and governance training, is the allowance a 'use it or lose it' annual allocation or can the unexpended amounts be carried forward to the next financial year (as per the current Council policy), especially when the cost of some courses (such the Australian Institute of Company Directors) may exceed the annual allocation.

**SUGGESTED RESPONSE**

***The Council submit that it strongly supports the concept of continuous learning and agrees with the setting of an annual governance training and professional development allowance for elected members.***

***The Council further submit that the issue is not the concept of training and professional development but how the Board determines the quantum of that allowance to ensure the allowance is reflective of the duties and responsibilities of elected members of a capital city.***

***It is also submitted that the Board should consider the definitions of professional development and governance training and whether the allowance is a 'use it or lose it' annual allocation or can unexpended amounts be carried forward to the next year.***

Council	Lord Mayor	Deputy Lord Mayor	Councillor	Formula
Melbourne Allowances are fixed by Order of Council and are annually adjusted. Mayor and Councillor allowances are also subject to the addition of the equivalent of the superannuation guarantee	\$193,070	\$96,534	\$45,333	Based on income and population.
Adelaide Remuneration Tribunal of South Australia (Next Review commencing in mid-2018 prior to next Local Government elections) CPI adjusted on first, second and third anniversaries	\$168,501	\$36,764	\$24,510 - \$30,637	Role of the members of council; size, population and revenue of the council and any relevant economic and social factors in the council area; allowance is not intended to amount to a salary; allowance should reflect the nature of the member's office.
Perth Reviewed every 12 months	\$135,909 \$47,046 (Attendance Fees)	\$33,977	\$31,364	Major growth and development; strategic planning, including risk management; infrastructure development and asset management; significant social/economic/environmental issues; significant demand to service and support non-resident needs; diversity of services; community involvement and advocacy; state or national negotiations; operational and managerial requirements; capacity to pay; total expenditure; population; and FTEs.



Council	Lord Mayor	Deputy Lord Mayor	Councillor	Formula
Brisbane Independent Councillor Remuneration Tribunal; Remuneration is defined as salary and allowances but does not include Council contributed superannuation or ward related expenditure	\$260,342 (salary) \$338,153 (salary plus allowances and excluding superannuation)	\$205,116 (salary) \$225,037 (salary plus allowances and excluding superannuation)	\$157,782 (excludes superannuation)	Remuneration to be reviewed every five years – in the intervening years remuneration was to be adjusted in accordance with the percentage increases applied to the Queensland Government's remuneration tribunal for members of the Legislative Assembly. 2% increase proposed from 1 July 2018. The Tribunal considered that councillors performed comparable roles with MPs (given the unique characteristics of the Council, including the council size, scale and demographics, budget, the average ward electorate populations and the range of councillor responsibilities).
Sydney Local Government Remuneration Tribunal Yearly determination; 29 March 2016 determination provided a general increase of 2.5 per cent				A categorisation model is used where councils with the largest number of features in common are grouped together for remuneration purposes. These categories are primarily based on geographic location (metropolitan/rural) and further differentiated by factors including population, the sphere of the council's economic influence and the council's degree of regional servicing.

Council	Lord Mayor	Deputy Lord Mayor	Councillor	Formula
Darwin Differential allowances for the LM and DLM Extra meeting allowances are paid (these include Council Executive Committee and Advisory Group and external organisations such as LGANT) LM, DLM and acting principal members are not entitled to claim additional paid meeting allowance	\$121, 874 (Base) \$32,077 (Electoral) \$3,653 (Professional Development) \$157,605.18 (Total maximum claimable)	\$45,065 (Base) \$8,019 (Electoral) \$3,653 (Professional Development) \$56, 739 (Total maximum claimable)  Note: The position of Deputy Lord Mayor is undertaken on a rotating schedule of 4 months	\$21,918 (Base) \$8,019 (Electoral) \$14, 613 (maximum extra meeting allowance claimable per year at \$180.42 per meeting) \$48, 204 (Total maximum claimable)	Set at a fixed rate subject to the guidelines issued by the Minister.

**6.3 Appointment of Acting General Manager**  
**File Ref: F18/6308; S11-002-01**

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Report of the General Manager of 25 January 2018.

Delegation: Council

**REPORT TITLE: APPOINTMENT OF ACTING GENERAL MANAGER**

**REPORT PROVIDED BY:** General Manager

**1. Report Purpose and Community Benefit**

- 1.1. The purpose of this report is to seek the Council's appointment of the Deputy General Manager as Acting General Manager for periods of time when the General Manager is absent.

**2. Report Summary**

- 2.1. The Local Government Act 1993 was amended in late 2017 such that the method to appoint a person to act in the office of the General Manager was changed.
- 2.2. The changes allow the Council to appoint a person to act in the office of the General Manager during every absence of the General Manager.
- 2.3. It is proposed that the Deputy General Manager be so appointed for a term of five years.

**3. Recommendation**

***That:***

- 1. The Deputy General Manager be appointed to act in the office of the General Manager during every absence of the General Manager for a term of five years pursuant to s61B(4) of the Local Government Act 1993.***

#### **4. Background**

- 4.1. The *Local Government (Targeted Review) Act 2017* inserted a new section 61B into the *Local Government Act 1993* which deals with the appointment of an Acting General Manager.
- 4.2. Basically, the new section 61B clarifies the circumstances when the General Manager is absent and provides the Lord Mayor with authority to appoint an Acting General Manager if the Council has not already done so.
- 4.3. Section 61B(4) provides the Council with the authority to appoint a person to act in the office of general manager during every absence of the general manager. This provision essentially reflects the Council's current practice of having a standing delegation to the General Manager to appoint a member of the Council's Executive Leadership Team as Acting General Manager.
- 4.4. Given the change to the legislation it is necessary for the Council to appoint a person to act as General Manager in periods when the General Manager is absent.
- 4.5. To that end, it is proposed that the Council appoint the Deputy General Manager to act in the office of General Manager during every absence of the General Manager.
- 4.6. The appointment can be for a term not exceeding five years.
- 4.7. If the Deputy General Manager was absent in addition to the General Manager then the Lord Mayor would have the ability to appoint a person to act in the office.

#### **5. Proposal and Implementation**

- 5.1. It is proposed that the Deputy General Manager be appointed to act in the office of the General Manager during every absence of the General Manager for a term of five years pursuant to s61B(4) of the *Local Government Act 1993*.

#### **6. Legal, Risk and Legislative Considerations**

- 6.1. These have been addressed in the body of this report.

#### **7. Delegation**

- 7.1. This matter requires the consideration of the Council.

*As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.*

A handwritten signature in black ink, appearing to read 'N.D. Heath', is positioned above the printed name.

N.D Heath  
**GENERAL MANAGER**

Date: 25 January 2018  
File Reference: F18/6308; S11-002-01

**6.4 Hobart City Deal  
Heads of Agreement  
File Ref: F18/6646**

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Memorandum of the General Manager of 25 January 2018 and attachment.

Delegation: Council



City of **HOBART**

## MEMORANDUM: GOVERNANCE COMMITTEE

### Hobart City Deal Heads of Agreement

#### Introduction

The purpose of this memorandum is to present the Hobart City Deal Heads of Agreement to the Council.

#### Background

On 16 January 2018, the Prime Minister and Premier signed a Heads of Agreement for a Hobart City Deal.

Further to the existing Memorandum of Understanding which was signed on 29 September 2016 between the Commonwealth of Australia and the State of Tasmania, the Heads of Agreement provides an undertaking by the Commonwealth and Tasmanian Governments to work together to progress a Hobart City Deal consistent with the objectives and initiatives identified in the agreement.

The existing Memorandum of Understanding between the Commonwealth of Australia and the State of Tasmania refers to six domains to inform the development of City Deals. These are:

- Governance, city planning and regulation;
- Infrastructure and investment;
- Housing;
- Jobs and skills;
- Innovation and digital opportunities; and
- Liveability and sustainability

Consistent with the above vision, objectives and with consideration of the key domains, it is agreed to work collaboratively and cooperatively to progress a City Deal for Hobart to:

- Examine opportunities to facilitate an Antarctic Precinct at Macquarie Point to harness the unique opportunities presented at the site (**Innovation and digital opportunities; Infrastructure and investment**);
- Create a Greater Hobart Transport Vision to guide a coordinated approach to transport planning including assessing the feasibility of future public transport options such as busways, light rail or ferries. This will also include considering ways to support future use of the northern suburbs rail corridor



through improved amenity and greater residential options (**Liveability and sustainability; Housing**);

- Establish a Greater Hobart Act, to provide a strategic framework for local councils in the region and the State Government to work together to implement the objectives of the Hobart City Deal and complementary strategic land use planning outcomes (**Governance, city planning and regulation**);
- Examine options to facilitate the development of the University of Tasmania's STEM presence in the city, to support both regional and international education, and innovation and growth (**Jobs and skills; Innovation and digital opportunities**); and
- Explore options to support affordable housing in the Greater Hobart region (**Housing; Liveability and sustainability**).

In addition to these key focus areas, other projects that are consistent with the vision and objectives may also be agreed during the development of the Hobart City Deal.

The Heads of Agreement states that Councils will be invited to participate in developing and implement a Hobart City Deal.

It is important to note that the City of Hobart has already undertaken some work around a number of the projects listed in the Heads of Agreement, including:

- The completion of the Glenorchy to Hobart Public Transport Corridor Study jointly with the Glenorchy City Council which looked at the potential activation of the public transit corridor as the catalyst for broader city shaping and urban renewal activity and the engagement of a consultant to progress the Public Transit Corridor Project with both councils having committed approximately \$100,000 each;
- The City of Hobart convened a stakeholder forum to discuss a Derwent River ferry service;
- Support for the establishment a Greater Hobart Act (reference - Council meeting held on 5 June 2017);
- Council endorsement of STEM as the basis of a City Deal for Hobart; and
- Development of a City of Hobart Affordable Housing and Homeless Strategy, contract of sale with the State Government for the land in Goulburn Street for an affordable housing development as well as currently preparing to host an affordable housing roundtable.

It is proposed that in the initial stages of the development of the Hobart City Deal the General Manager participate in officer discussions on the formation of a City Deal for Hobart with regular reports on progress to be provided to the Council.

At this stage the only budgetary impact is as a result of officer time.

## **RECOMMENDATION**

***That:***

- 1. The Heads of Agreement for a Hobart City Deal be noted.***

**2. The General Manager be authorised to:**

- (i) participate in officer discussions on the formation of a City Deal for Hobart, including the scoping of a Greater Hobart Act; and**
- (ii) provide regular reports to the Council on these matters, including the implications on Council resources and priorities.**

*As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.*



N.D Heath  
**GENERAL MANAGER**

Date: 25 January 2018  
File Reference: F18/6646

Attachment A: Hobart City Deal - Heads of Agreement ↓

**Hobart City Deal****Heads of Agreement**

between

**The Commonwealth of Australia and The State of Tasmania**

executed under the

**Memorandum of Understanding to establish and implement City Deals signed on  
29 September 2016 between the Parties****Preamble**

Further to the existing Memorandum of Understanding, this Heads of Agreement provides an undertaking by the Commonwealth and Tasmanian Governments to work together to progress a Hobart City Deal consistent with the objectives and initiatives identified in this agreement.

**Hobart City Deal Vision and Objectives**

The City Deal will provide a framework to support Hobart as it grows as a vibrant, liveable Capital City, which is part of a connected region linking communities, destinations and precincts. It will improve access to communities, education, employment and emerging opportunities, and stimulate economic growth. The City Deal will leverage Hobart's natural amenity and liveability to continue to position it as a growing, innovative and global city.

The City Deal will focus on harnessing the emerging opportunities and investment occurring in Hobart as it transitions into an increasingly diverse, vibrant and populated global city that is an epicentre for the region's community and visitors, cultural arts and recreational activity, businesses and services. It plays a key role in improving the region's research, education, training and international engagement outcomes and is a key enabler of the ongoing growth in Tasmania's visitor economy.

A Hobart City Deal will do this by:

- fostering an innovative economy that draws on Hobart's comparative advantages as the gateway to Antarctica and as a world leader in Antarctic and Southern Ocean scientific research, and builds capabilities in STEM disciplines;
- investing in key strategic corridors, linkages and transport modes and infrastructure to provide efficient transport options that enhance accessibility, amenity and liveability;
- creating targeted clusters of infrastructure, people, and capabilities to establish or enhance innovative and thriving hubs and destinations in the city; and
- building stronger partnerships to promote strategic planning outcomes and service delivery that considers the impact on, and benefits for, the Greater Hobart region.

**Hobart City Deal – Key Projects**

The existing Memorandum of Understanding between the Parties refers to six domains to inform the development of City Deals. These are:

1. Governance, city planning and regulation
2. Infrastructure and investment
3. Housing
4. Jobs and skills
5. Innovation and digital opportunities
6. Liveability and sustainability.

Consistent with the above vision, objectives and with consideration of the key domains, it is agreed to work collaboratively and cooperatively to progress a City Deal for Hobart to:

- examine options to facilitate an Antarctic Precinct at Macquarie Point to harness the unique opportunities presented by the site (**Innovation and digital opportunities; Infrastructure and investment**);
- create a Greater Hobart Transport Vision to guide a coordinated approach to transport planning including assessing the feasibility of future public transport options such as busways, light rail or ferries. This will also include considering ways to support the future use of the northern suburbs rail corridor through improved amenity and greater residential options (**Liveability and sustainability; Housing**);
- establish a Greater Hobart Act, to provide a strategic framework for local councils in the region and the State Government to work together to implement the objectives of the Hobart City Deal and complementary strategic land use planning outcomes (**Governance, City planning and regulation**);
- examine options to facilitate the development of the University of Tasmania's STEM presence in the city, to support both regional and international education, and innovation growth (**Jobs and skills; Innovation and digital opportunities**); and
- explore options to support affordable housing in the Greater Hobart region (**Housing; Liveability and sustainability**).

In addition to these key focus areas, other projects that are consistent with the vision and objectives may also be agreed during the development of the Hobart City Deal.

**Agreement**

Further to the Memorandum of Understanding, through this Heads of Agreement the Commonwealth and Tasmanian Governments agree to progress the development of a Hobart City Deal.

Councils will be invited to participate in developing and implementing a Hobart City Deal.

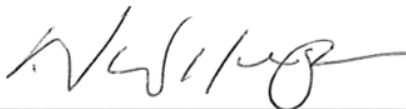
**Signed for and on behalf of the  
Commonwealth of Australia by:**

**Signed for and on behalf of the State of  
Tasmania by:**



The Hon Malcolm Turnbull MP

Prime Minister of the Commonwealth of  
Australia



The Hon Will Hodgman MP

Premier of the State of Tasmania

16 January 2018  
Date

16 January 2018  
Date

## **7 COMMITTEE ACTION STATUS REPORT**

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### **7.1 Status Report**

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A report indicating the status of current decisions is attached for the information of Aldermen.

#### ***RECOMMENDATION***

***That the information be received and noted.***

Delegation: Committee

Attachment A: Status Report

**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
1.	<p><b>COUNCIL AND COMMITTEES REVIEW AND GOVERNANCE ARRANGEMENTS</b></p> <p>Special Joint Meeting 10/3/2015.</p> <p>Council, 12/10/2015 Item 10.</p> <p>Council, 19/9/2016. Item 11.</p> <p>GC, 4/10/2016, Supp Item 6.4.</p> <p>Council 29/11/2016 Item 16.</p>	<p>1. The Council endorse its preference for a governance framework which facilitates the flow of business through committees which are established in alignment with the City's Strategic Plan.</p> <p>i. The following strategy priority areas be utilised as the basis for the reporting structure:</p> <ul style="list-style-type: none"> <li>- Economic Development, Vibrancy and Culture</li> <li>- Urban Management</li> <li>- Environment and Natural Resources</li> <li>- Strong, Safe and Healthy Communities</li> <li>- Governance and Finance</li> </ul> <p>ii. Terms of Reference be prepared to reflect this structure for consideration at a Council workshop</p> <p>2. The delivery of the framework and other governance matters, as addressed in the report be also considered at the Council workshop, with a further report to be prepared for consideration by the Committee and Council.</p> <p>3. The scheduling of Aldermanic workshops be deferred for further discussion at an Aldermanic workshop in the new year.</p>	Deputy General Manager	<p>A report on this matter was provided to the 28 November 2017 Governance Committee meeting.</p> <p>At the Council meeting of 22 January 2018, the Council resolved to combine the Finance and Governance Committees. A report on revised terms of reference for the combined committee will be provided to the Council meeting of 5 February 2018.</p> <p>The Council also resolved to consider a report in relation to combining the Economic Development and Communications Committee and the Community, Culture and Events Committee which will be provided to the 5 February meeting.</p>

**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
2.	<b>Council and Committees - Structure and Governance Matters</b> Council 4/12/2017, Item 21	<ol style="list-style-type: none"> <li>1. In relation to the public question time forum, notice period for lodgement of questions be reduced from seven to two clear days.               <ol style="list-style-type: none"> <li>(i) Questions accepted from the floor during the forum, subject to being put in writing and where a response cannot be provided, will be provided a written response as soon as possible.</li> </ol> </li> <li>2. In respect to deputations:               <ol style="list-style-type: none"> <li>(i) the discretion of committee chairmen to consider a deputation to address a meeting, as a supplementary agenda item, without the need to include a report on the agenda for the meeting, be endorsed</li> <li>(ii) a further report be prepared on an appropriate framework to facilitate such a process which ensures good governance and the effective functioning of council committees.</li> </ol> </li> <li>3. Further consideration of the strategic realignment of its existing committee structure occur after the completion of the Council's visioning project.</li> <li>4. In respect to Questions Without Notice, the guidelines, as shown as attachment C to item 11 of the Supplementary Open Governance Committee agenda of 28 November 2017, be adopted.</li> </ol>	Deputy General Manager	Implementation is underway.



**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
3.	<b>CITY OF HOBART COMMUNITY ENGAGEMENT</b> Council, 13/7/2015, Item 21. Council 6/6/2016 Item 21. Council 29/11/2016 Item 15.	The role of the Council's Traffic Committees be considered following the conclusion of the engagement process for the draft Local Retail Precinct Plan.	Director Community Development	A report relating to the Draft Community Engagement Framework and community engagement options will be submitted in March 2018
4.	<b>SHAPING THE CITIES OF HOBART AND GLENORCHY – DETERMINING THE BENEFITS OF ENHANCED LAND VALUE THROUGH INVESTMENT IN A PUBLIC TRANSIT SYSTEM</b> Council 9/2/2016, Supp Item 16	The Council initiate a Public Transit Corridor Urban Utilisation and Economic Benefit project for the current rail corridor, based on the proposal titled 'Shaping the Cities of Hobart and Glenorchy – Determine the Benefits of Enhanced Land Value through Investment in a Public Transit System', subject to the matched support of the Glenorchy City Council.	General Manager	The Steering Committee met on 16 January to further progress the Glenorchy to Hobart Public Transit Corridor Project. A consultant has been engaged to assist in garnering the required government, agency and private sector support and commitment to implement urban renewal and transit orientated development projects. A workshop and public forum, to be held on 15 February, are currently in the process of being arranged.
5.	<b>RECORDING AND PUBLISHING OF DEPARTURE TIMES FROM COUNCIL AND COMMITTEE MEETINGS</b> Council 6/6/2016, Item 10	That a report be prepared exploring the benefits of recording and publishing the departure times of Aldermen from Council and committee meetings.	Deputy General Manager	A report in relation to this matter will be provided to the February meeting.

**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
6.	<b>LAUNCESTON CITY COUNCIL – MEMORANDUM OF UNDERSTANDING</b>  Council 6/6/2016, Item 19	1. The Council endorse a biannual meeting between the Lord Mayor of Hobart, the Mayor of Launceston and the General Managers of the Hobart City Council and Launceston City Council and that the arrangement replace the protocol which was adopted by the Council on 13 April 2015.  2. Aldermen receive copies of the agendas and minutes of these meetings and a six-monthly progress update.	General Manager	A teleconference was held between the Lord Mayor, Mayor of Launceston and General Managers of the two Councils on 6 December 2017, and the following issues were discussed: <ul style="list-style-type: none"> <li>• Possible resourcing implications of a City Deal.</li> <li>• State election priorities.</li> </ul>
7.	<b>TASMANIAN MUSEUM AND ART GALLERY BILL 2016</b>  Council 6/2/2017, Item 19	The Lord Mayor and General Manager meet with the Director of the Tasmanian Museum and Art Gallery (TMAG) to discuss their governance structures and avenues available for the Council to continue to engage with the TMAG	Director Community Development	A further report will be submitted to the Council in February 2018.
8.	<b>UNIVERSITIES CONFERENCE AND STUDY TOUR</b>  Council 6/2/2017, Item 17.	1. The Council participate in regular meetings with the University Council and pursue an amendment to the existing memorandum of understanding with the University of Tasmania that seeks to strengthen the strategic relationship between the parties and focus on: <ul style="list-style-type: none"> <li>i. Joint research initiatives, including the socio-economic impacts of the University's move into the City and the movement of people in and around the City;</li> <li>ii. Public realm improvements, and;</li> <li>iii. City activation.</li> </ul>	General Manager	

**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
		<p>2. The development of the new vision for the City of Hobart involve extensive consultation with the University of Tasmania as well as other key stakeholders and acknowledge the importance of higher education in the City.</p> <p>3. When contemplating a possible City Deal for the Greater Hobart region, the following be taken into consideration:</p> <p style="padding-left: 20px;">i. The City Deal be well thought through and recognise what it is hoping to achieve; identify the issues it is seeking to address; is well resourced with appropriate, qualified staff; has a strong leadership structure and appropriate communication and PR support, and involve regional cooperation as well as commitment from the State and Australian Governments.</p> <p>4. The Council pursue a submission to the Smart Cities and Suburbs Program to gather data to assist the community with travel to work information, address congestion and improve the wider movement of people in the City.</p> <p>5. A further report be provided to investigate extending an invitation to Gehl Architects to visit the City for the purposes of reviewing the urban transformation work the City has done to date and to provide a public lecture.</p> <p>6. On receipt of the details of European Union's 'Twin Cities Urban Sustainability' project that a</p>		<p>The City of Hobart Vision exercise is currently underway.</p> <p>A Heads of Agreement for a Hobart City Deal was signed by the Prime Minister and Premier on 16 January. The Agreement calls to establish a Greater Hobart Act to provide a strategic framework of local councils in the region and the State Government to work together to implement the objectives of the Hobart City Deal. The Heads of Agreement document has been placed on the HUB for the information of Aldermen. The Council will continue to be informed as matters progress and a separate report on this matter is included on this agenda.</p> <p>A report was considered by the Council at its meeting of 20 February</p>

**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
		<p>further report be prepared for the Council that considers the cost benefit of the project and identifies potential partner cities, including Freiburg, with whom the Council may partner.</p> <p>7. A visual presentation of the city design learnings from Bristol and Freiburg be provided to the Council, in conjunction with the University of Tasmania.</p> <p>ii. The Governor of Tasmania, or her delegate, be invited to attend the presentation.</p> <p>8. The General Manager be delegated the authority to reimburse appropriate officer travel expenses incurred in attending the UniverCities Conference and Study Tour.</p>		<p>2017 and an application has been submitted and we are awaiting an outcome.</p> <p>A presentation will be arranged as soon as practicable and the Lord Mayor will invite the Governor of Tasmania.</p> <p>Complete.</p>
9.	<p><b>GREATER HOBART: LOCAL GOVERNMENT REFORM FINAL FEASIBILITY STUDY</b></p> <p>Council 3/4/2017, Item 18.</p>	<p>1. Advice be provided to the Committee after the meeting planned with Commissioner Sue Smith of the Glenorchy City Council, currently scheduled for 4 April 2017, has occurred.</p> <p>2. The Council then conduct a workshop to facilitate questions and discussion around the Greater Hobart: Local Government Reform Final Feasibility Study, prior to formal consideration of its position in respect to the report, going forward.</p>	General Manager	<p>A Heads of Agreement for a Hobart City Deal was signed by the Prime Minister and Premier on 16 January. The Agreement calls to establish a Greater Hobart Act to provide a strategic framework of local councils in the region and the State Government to work together to implement the objectives of the Hobart City Deal. The Heads of Agreement document has been placed on the HUB for the information of Aldermen. The Council will continue to be informed as matters progress.</p>

**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
10.	<p><b>REVIEW OF BY LAWS</b></p> <p>Council 5/6/2017, Item 21.</p> <p><b>BY-LAWS REVIEW - PUBLIC CONSULTATION OUTCOMES</b></p> <p>Council 18/09/2017; Item 15</p>	<ol style="list-style-type: none"> <li>The Council make the following by-laws, specifically: <ul style="list-style-type: none"> <li>Public Spaces By-law</li> <li>Infrastructure By-law</li> <li>Car Parks By-law</li> <li>Environmental Health By-law; and</li> <li>Waste Management By-law</li> </ul> </li> <li>The General Manager prepare Regulatory Impact Statements for each of the by-laws listed above, with the view to presenting these and the five by-laws to the Director of Local Government for a certificate of approval, pursuant to section 156A of the <i>Local Government Act 1993</i>.</li> <li>Subject to a certificate of approval from the Director of Local Government, the General Manager give notice of the proposed by-law in order to advertise a further public consultation process, whereby the by-laws and associated regulatory impact statements are made available for inspection and comment.</li> </ol>	Deputy General Manager	<p>The by laws and regulatory impact statements were provided to the Director of Local Government for certification on 6 October 2017. Certification by the Director has not yet been provided.</p> <p>Advertising the by-laws will follow once certification is received as the by-laws cannot be advertised without certification.</p>
11.	<p><b>ALDERMANIC DEVELOPMENT AND SUPPORT - REVIEW OF COUNCIL POLICY</b></p> <p>Council 24/07/2017 Item 18</p>	A full review of the professional development policy be undertaken addressing best practice from relevant organisations.	Deputy General Manager	A Council workshop has been scheduled for 30 January 2018.

**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
12.	<b>QUORUMS FOR COUNCIL COMMITTEES</b>  Council 24/07/2017 Item 19	The implementation of a procedure whereby the established quorum of each Council committee is retained at five members, but any Aldermen who may attend a committee meeting would also have voting rights, be explored.	Deputy General Manager	A report in relation to this matter will be provided at the February meeting.
13.	<b>STATE FIRE COMMISSION - LOCAL GOVERNMENT REPRESENTATIVE - LGAT CALL FOR NOMINATIONS</b>  Council 7/8/2017; Item 19.	The Council delegate to the General Manager the authority to nominate a suitable officer for the vacant position on the State Fire Commission.	General Manager	Nominations are with the Minister for determination.
14.	<b>LOCAL GOVERNMENT REPRESENTATIVE - STATE GRANTS COMMISSION</b>  Council 21/8/2017; Item 22	Alderman Ruzicka, Alderman Reynolds, Alderman Denison and Alderman Cocker (subject to his consent) be nominated for the two Local Government representative members to the State Grants Commission.	Deputy General Manager	Alderman Cocker declined his nomination. Alderman Reynolds withdrew her nomination. Nominations for Aldermen Ruzicka and Denison have been submitted. LGAT have been approached to ascertain the status of the nominations.
15.	<b>CITY OF HOBART - DRAFT CUSTOMER SERVICE CHARTER</b>  Council 18/09/2017; Item 16	The text for a revised draft customer service charter, shown as Attachment A to item 6.1 of the Open Governance Committee agenda of 10 October 2017t, be approved for release for public comment for a four week period.	Group Manager City Government & Customer Relations	Public consultation was undertaken via all channels and concluded on 22 December 2017. Comments are now being reviewed.



**GOVERNANCE COMMITTEE - STATUS REPORT**  
**OPEN PORTION OF THE MEETING**  
**December 2017**

Ref	Meeting	Report/Action	Title	Comments
	23/10/2017; Item 21.	<p>Following the comment period, a further report be provided presenting the results of consultation and a final draft charter for endorsement.</p> <p>The Charter be further reviewed to coincide with the implementation of the Council's customer request management system in the first half of next year, so as to capture the increased functionality available from that system to enhance customer relationship management.</p>		
16.	<p><b>Amendments to the Local Government (General) Regulations 2015</b></p> <p>Council 4/12/2017 Item 19</p>	<ol style="list-style-type: none"> <li>The Council consider its position with respect to the following issues in respect to the provisions around gifts and benefits contained in the proposed changes to the Local Government (General) Regulations 2015: <ol style="list-style-type: none"> <li>The minimum threshold for disclosure for gifts and benefits be set at \$50.00;</li> <li>The timing of disclosure of gifts or donations be a maximum of 7 days; and</li> <li>The timing of making the register public be monthly.</li> </ol> </li> <li>In addition to the above, the Council provide feedback to the Local Government Association of Tasmania in relation to the proposed changes to the Local Government (General) Regulations 2015 in the following terms: <ol style="list-style-type: none"> <li>The Council supports the increases to electoral advertising limits for an aldermanic/ councillor candidate to \$6,500 and \$10,500 for an alderman and mayor or deputy mayor candidate;</li> </ol> </li> </ol>	Deputy General Manager	<p>Complete. The Council's position was provided to LGAT as part of a submission on 12 December 2017.</p> <p>Complete.</p>

## GOVERNANCE COMMITTEE - STATUS REPORT

### OPEN PORTION OF THE MEETING

December 2017

Ref	Meeting	Report/Action	Title	Comments
		<p>(ii) The Council supports the proposed inclusions to the Declaration of Office provided that the term 'professional development' is defined and, in this respect, the Local Government Division of the Department of Premier and Cabinet develop, in consultation with councils and other relevant stakeholders, a model professional development policy that provides clear guidance as to its requirement; and</p> <p>(iii) In the interest of good governance, the Declaration of Office process be accompanied by the attestation of compliance with the Good Governance Guide for Local Government in Tasmania.</p> <p>3. That the Council immediately suspend its professional development policy pending an urgent workshop to be held in the new year to enable a full review of the policy provisions and no further applications be approved until such time as the review has been completed.</p>		Workshop scheduled for 30 January 2018.



## **8. QUESTIONS WITHOUT NOTICE**

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Section 29 of the *Local Government (Meeting Procedures) Regulations 2015*.  
File Ref: 13-1-10

An Alderman may ask a question without notice of the Chairman, another Alderman, the General Manager or the General Manager's representative, in line with the following procedures:

1. The Chairman will refuse to accept a question without notice if it does not relate to the Terms of Reference of the Council committee at which it is asked.
2. In putting a question without notice, an Alderman must not:
  - (i) offer an argument or opinion; or
  - (ii) draw any inferences or make any imputations – except so far as may be necessary to explain the question.
3. The Chairman must not permit any debate of a question without notice or its answer.
4. The Chairman, Aldermen, General Manager or General Manager's representative who is asked a question may decline to answer the question, if in the opinion of the respondent it is considered inappropriate due to its being unclear, insulting or improper.
5. The Chairman may require a question to be put in writing.
6. Where a question without notice is asked and answered at a meeting, both the question and the response will be recorded in the minutes of that meeting.
7. Where a response is not able to be provided at the meeting, the question will be taken on notice and
  - (i) the minutes of the meeting at which the question is asked will record the question and the fact that it has been taken on notice.
  - (ii) a written response will be provided to all Aldermen, at the appropriate time.
  - (iii) upon the answer to the question being circulated to Aldermen, both the question and the answer will be listed on the agenda for the next available ordinary meeting of the committee at which it was asked, where it will be listed for noting purposes only.

## **9. CLOSED PORTION OF THE MEETING**

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The following items were discussed: -

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| Item No. 1   | Minutes of the last meeting of the Closed Portion of the Council Meeting |
| Item No. 2   | Consideration of supplementary items to the agenda                       |
| Item No. 3   | Indications of pecuniary and conflicts of interest                       |
| Item No. 4   | Committee Action Status Report   |
| Item No. 4.1 | Committee Actions - Status Report<br>LG(MP)R 15(2)e(i)                   |
| Item No. 5   | Questions Without Notice   |