



HUON VALLEY COUNCIL

HUON VALLEY COUNCIL COMMENTS DISCUSSION PAPER REFORMS TO COUNCILLOR NUMBERS AND ALLOWANCES

Thank you for the opportunity to make a submission on the Reforms to Councillor Numbers and Allowances Discussion Paper.

Council's comments are included in the table below.

CONSULTATION ISSUE

COUNCIL COMMENT AND SUBMISSION

Reduction in Councillor Numbers

The Council does not support the reduction in the number of Councillors.

Whilst the Discussion Paper points to the fact that there are a high number of Councillors in Tasmania, this is reflective of the number of Councils in Tasmania NOT the appropriate number of Councillors required for the performance of roles and functions of an individual Council.

An individual Council (and by reference, individual Councillors) undertakes significant responsibility.

In addition to the roles and functions as set out in the *Local Government Act 1993* a Council administers a broad range of legislation and is a road authority, public health and food regulator, stormwater provider, cemetery operator, building and plumbing permit authority, planning authority and environmental regulator.

Huon Valley Council additionally responds to service gaps within our community with the provision of child care, medical services and retirement villages.

A Council is a significant business enterprise in its own right.

Any individual Council, irrespective of its size or rate base, carries these responsibilities that is overseen by the equivalent of a Board of Councillors elected by the community.

Section 28 of the *Local Government Act 1993* sets out the functions of Councillors as follows:

28. Functions of councillors

(1) A councillor, in the capacity of an individual councillor, has the following functions:

(a) to represent the community;

(b) to act in the best interests of the community;

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	<p>(c) to facilitate communication by the council with the community; (d) to participate in the activities of the council; (e) to undertake duties and responsibilities as authorised by the council. (2) The councillors of a council collectively have the following functions: (a) to develop and monitor the implementation of strategic plans and budgets; (b) to determine and monitor the application of policies, plans and programs for – (i) the efficient and effective provision of services and facilities; and (ii) the efficient and effective management of assets; and (iii) the fair and equitable treatment of employees of the council; (c) to facilitate and encourage the planning and development of the municipal area in the best interests of the community; (d) to appoint and monitor the performance of the general manager; (e) to determine and review the council's resource allocation and expenditure activities; (f) to monitor the manner in which services are provided by the council.</p> <p>Fundamental to the function of an individual Councillor is the community and this aligns clearly with the requirement of a Council to consult, involve and be accountable to the community.</p> <p>Nowhere in the Discussion Paper is the issue of fair representation addressed in context of the role of Local Government and this is a flaw to the proposal.</p> <p>The benefit of the reform stated as “stronger democracy” solely reflects election vote thresholds, particularly where some Council’s see Councillors elected on low votes.</p> <p>This is recognised as a legitimate concern but it is solely raised as a result of the election method adopted by the State Government being the Hare Clarke system and its application with quotas and low population.</p>

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	<p>Additionally, a lower vote is not an indicator of commitment or competence.</p> <p>Nowhere in the Discussion Paper does the Government consider any alternative approach for smaller Councils that may address the concerns as to the legitimacy of the election of a Councillor.</p> <p>The argument cannot, with respect, be used to justify a reduction of Councillor numbers.</p> <p>Any individual Council requires a sufficient number of Councillors to effectively represent its community and this should not be based upon a statewide number of Councillors or the voting method adopted by the State Government.</p> <p>In the case of the Huon Valley Council, the population is fast approaching 20,000 residents with significantly different social, economic and demographic factors and a wide geographic range. A reduction in representation does not reflect the growth and societal changes in the municipal area.</p> <p>A reduction of Councillors from 9 to 7 would be a clear reduction in representation across the municipal area.</p> <p>The proposal also creates some significant risk for the decision making ability of Councils, particularly those who have 5 or 7 Councillors as there may be challenges for a Council to maintain a quorum for proper decision making. This could result in smaller numbered Councils performing poorly or unable to properly deal with planning matters.</p> <p>This risk is acknowledged in the Discussion Paper and proposals recommended to address the issue.</p>

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	<p>However, the risk is compounded by the expected legislative changes for dealing with Conflicts of Interest.</p> <p>Whilst the existing Pecuniary Interest provisions have some certainty and proved workable, the extension of interests to conflicts, and the yet, unknown impact of whether or not a Councillor will be required to recuse themselves or not, could mean it is harder to maintain a quorum due to a Councillor's proximity to the community and likelihood of a conflict arising.</p> <p>This is a real concern and it is not clear whether the proposed recommendations will address this issue until the legislative changes relating to Councillor's conflict of interest are finalised.</p>

Councillor Allowances

Irrespective of a reduction of the number of Councillors, the Council supports the increase in the amount of allowances.

Council acknowledges the downsides being the cost impact on ratepayers and the potential to shift the motivation of prospective Councillors from community service to financial gain.

However, provision of an allowance does not properly reflect the roles and functions and responsibilities of Councillors as are set out above in the comments on Councillor numbers.

Factors for consideration include:

- As identified in the Targeted review of the *Local Government Act 1993* Councillors will be required to undertake compulsory training, both to nominate as a Councillor and Act as a Councillor. There are no such requirements for members of State or Federal Parliament.
- Councillors are readily accessible to the community in no way different to members of State or Federal Parliament.
- Unlike members of Parliament, Councillors are not provided with an electorate allowance, offices or individual support staff to undertake their roles and functions and must do all the research themselves or rely upon Council Officer advice.
- Councillors are held to higher standards than members of State or Federal Parliament through the Code of Conduct process and Councillors also do not have parliamentary privilege. Councillors can therefore be restricted in their ability to respond to matters due to the potential weaponising of the process.
- Councillors have limited, if any, work, health or safety protection from psychosocial hazards and are expected to simply deal with

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	<p>unwarranted attacks whilst being unable to respond due to threat of complaint or Code of Conduct process.</p> <ul style="list-style-type: none"> • Increased allowances may attract a wider range of Councillor candidates who may not have flexibility to work part-time without sufficient compensation, as the role requires significant commitment. It is noted that the proposed revised allowance remains unlikely to sufficiently compensate a working professional from foregoing other paid employment. Council considers it unlikely that increased allowances will make a material difference to the range of Councillor candidates. • Councillors are responsible for a vast range of local issues from strategic planning to community representation and overseeing complex business. Higher allowances reflect the weight of these duties. • The role involves more than just attending meetings. It requires community consultations, briefings and a significant commitment. Attendance at community events is also expected of a Councillor. Higher allowances provide a necessary financial incentive to support this work, especially those who must take leave from their primary jobs. • A more robust allowance structure can help to professionalise the role of a councillor, making it a more viable and respected career option and potentially improving the caliber of candidates. • Modern systems aim to link councillor numbers and allowances to a council's size and complexity, such as population, development activity, and infrastructure, ensuring pay is more aligned with the workload. This proposal recognises the need to increase allowances but only because of a reduction in the number of Councillors, not in proper recognition of the role of Councillors.

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	<ul style="list-style-type: none"> • While allowances and expense reimbursements are common, higher allowances can better account for the costs and time associated with attending community functions, public events, and meetings outside of typical working hours. • A robust and data-driven system can lead to more consistent and fair pay across similar councils, addressing potential inconsistencies and ensuring remuneration is more directly tied to the role's responsibilities.
<p>Question – Should the Government consider any strategies/guidance for council decision making where a quorum cannot be maintained?</p> <p>For councils with five councillors, maintaining quorums may occasionally be challenging if multiple councillors are absent, but proposed reforms like flexible meeting attendance aim to ensure effective decision-making.</p> <p>While there have been no observable issues in five or six councillor councils in other jurisdictions, a quorum may still be impacted in rare instances where there are a number of absences and/or conflicts of interest which preclude voting on a matter.</p> <p>It is noted the Government’s broader reform agenda seeks to make council attendance more flexible and accessible, which should limit or reduce absences.</p> <p>However, it is also noted that section 67 of the Victorian <i>Local Government Act 2020</i> allows councils to make decisions in an ‘alternative manner’ where a quorum cannot be maintained due to a number of councillors having a conflict of interest in a matter. This includes:</p>	<p>Strategies and guidance for decision making where a quorum cannot be maintained is considered to be essential with any reduction in the number of Councillors as the risk of any meeting have a quorum on a particular issue increases.</p> <p>This issue would also be compounded with foreshadowed introduction of legislative provisions relating to a Councillor’s conflict of interest.</p> <p>Council supports the approach in section 67 of the Victorian Act as a basis for Tasmanian legislation.</p>

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<ul style="list-style-type: none"> resolving to split the matter into 2 or more separate parts, so that a quorum can be maintained for each separate part making prior decisions on component parts of the matter at a meeting for which a quorum can be maintained, before deciding the overall matter at a meeting for which a quorum can be maintained. <p>Feedback is sought on whether a similar provision should be included in Tasmania's Local Government Act, where the broader numbers and allowances reform proposal proceeds.</p>	
<p>Superannuation</p> <p>Should it be mandatory for councillors' existing superannuation equivalent payments to be directed into a nominated superannuation fund?</p> <p>Question – Should the <i>Local Government Act 1993</i> be amended to require councils to pay a 12% superannuation equivalent payment from allowances into a councillor's nominated superannuation fund? Councillors are not regarded as employees for taxation and superannuation purposes. This means councils are not obliged to pay superannuation contributions on behalf of councillors. It is currently an option open to councillors (or indeed councils by resolution) to self-manage any voluntary contributions, should they wish to. Since 2004, Tasmanian councillors have received a 9% superannuation equivalent payment as part of their allowances (increased to 12% from June 2025). However, there is no requirement for this amount to be paid into a superannuation fund (even though councillors can make voluntary contributions). This has led to a general misunderstanding that councillors do not receive any allowances in lieu of super, which would be mitigated by the requirement for the equivalent amount to be paid into a fund.</p>	<p>This is not supported</p> <p>Superannuation ought be at the voluntary action of a Councillor to allocate funds into a superannuation fund otherwise the allowance is effectively watered down for the services undertaken and any choice is taken away from the Councillor.</p> <p>If superannuation payments are to be made compulsory then these should be in addition to the allowance per normal practice.</p>

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<p>Setting the foundation for future reviews</p> <p>Should the methodology and ongoing review framework for councillor allowances and numbers be embedded in legislation?</p> <p>Question – Should the methodology and ongoing review framework for councillor allowances and numbers be embedded in legislation to provide certainty and transparency to the sector and community? There are deficiencies with the current processes for reviewing councillor numbers and allowances - including a lack of structure and transparency around the scope, timing and conduct of regular reviews. The framework proposed in this paper provides the opportunity to provide certainty around future reviews and transparency into how they are to occur.</p> <p>The Government is considering changes to the Act to include the methodology and establish a mandatory schedule for regular reviews (for example, once every term of council). This would see the re-application of the methodology to councils on a regular basis, ensuring council numbers and allowances remain fair and equitable on an absolute and relative basis over time in response to demographic and other changes.</p>	<p>The methodology and ongoing review should be provided in legislation so that certainty is provided for Councillors and that a review is not delayed based upon a lack of Government budget or focus.</p> <p>With respect to Councillor numbers, the legislation should clearly set out the principles that are considered in reviewing the numbers (such as representation etc).</p>