

32-34 Georges Bay Esplanade

St Helens Tasmania 7216

T: 03 6376 7900

ABN 96 017 131 248



22 October 2025

Office of Local Government
lg.consultation@dpac.tas.gov.au

To whom it may concern,

I am writing on behalf of Break O'Day Council to provide feedback on the Local Government Reforms to Councillor Numbers and Allowances Discussion Paper. As a council, we are committed to supporting reforms that improve the effectiveness, transparency and responsiveness of local government in Tasmania. We welcome the opportunity to contribute to this important process, which will shape the future of local governance in the state.

The proposed reforms are an important step towards modernising local government and we recognise the potential they hold in helping councils better serve their communities. Our feedback is provided with a focus on ensuring that the reforms are practical, inclusive and adaptable to the diverse needs of councils, particularly those in rural and regional areas like Break O'Day.

Below are comments from Break O'Day Council on what is proposed in the Discussion Paper:

QUORUM MANAGEMENT	
<p>Should we 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</p>	<ul style="list-style-type: none">• Council supports the need for flexibility in supporting decision making processes. The legislative approach within the Victorian Act seems logical and should be considered as an amendment to the Tasmanian Act.

flexible and accessible, which should limit or reduce absences.

However, it is also noted that section 67 of the Victorian Local Government Act 2020 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:

- 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.

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

SUPERANNUATION

Should the *Local Government Act 1993* 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.

- **Council supported an independent review of Councillor Allowances** through its response to the Future of Local Government Review.
- **Payment of Superannuation at a rate equivalent to the Superannuation Guarantee Charge is supported** by Council noting that Councillors are not employees of the Council.
- **The relationship of Superannuation amount and the proposed Councillor Allowance is unclear.** Clarification needs to be provided in relation to whether the proposed new Allowance scale is going to be reduced by the amount of Superannuation which is now going to be paid. If it is not then the financial modelling in the discussion paper needs to be adjusted to show the actual cost to individual Councils.

SETTING THE FOUNDATION FOR FUTURE REVIEWS

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.

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.

- **Council supports embedding a review process within legislation** and also believes that the establishment of three tiers for Councillor numbers is logical and ensures that there is some form of consistency.
- **A reduction in Councillor numbers will impact on the workload of the remaining Councillors.** There will be less Councillors available to represent Council on the numerous Committees that a Council has in place.
- **The change in Councillor Allowance amount is not a Cost Neutral situation.** Whilst the increase in Councillor Allowances is welcome, the process appears to be based around achieving an overall cost neutral balance across the 29 Councils through the reduction in Councillor numbers. A cost neutral situation has not been achieved in determining the new Allowance bands, there is a saving of \$355,226 which on average represents an approximate average underpayment of \$1,500 per Councillor per annum. The calculations have also failed to take into account the other savings which will be realised by Councils. There will be reductions in IT costs; meeting expenses, travel costs; conference and professional development costs etc. The actual saving to Councils will be an additional \$3,000 per reduced Councillor for Expenses as disclosed in the Annual Financial Statements and approximately \$2,000 per reduced Councillor for Conferences and professional Development. The Break O'Day Council will save an additional \$10,000 on top of the identified saving of \$15,696.
- **A proper review focussed on fair reward has not been undertaken.** A review that determines what is actually a fair reward for the amount of time involved in undertaking the role of Councillor has not been undertaken. This is a failure of process and the Break O'Day Council believes that a review independent of the Office of Local Government should be undertaken.
- **Council supports reviews being undertaken on a four yearly basis as proposed in the discussion paper.** In general the metrics

seem logical though we have some specific observations.

- **Metric 1.1 relating to population size is deficient.** It means that Councils with a substantial holiday home base such as Break O'Day are adversely affected by this Metric. Within Break O'Day nearly 40% of our houses are holiday homes. The demands from dealing with the impact of this number of absentee property owners is not much different to permanent residents. The size of the service delivery is scaled to reflect the number of properties, not the population. The Council suggests that this Metric might be better focussed towards the number of dwellings in a Council area.
- **Metric 2.1 relating to development applications as it stands is superficial and does not reflect where the workload is.** Council disagrees with the focus on approved development application value. Whilst larger value developments are more complex, discretionary development application numbers should also be taken into account in assessing this Metric. These applications are inherently more complicated and regularly attract representations requiring complex considerations by Councillors.
- **Metric 3.2 focused on sealed road length as an indicator of the geographic dispersion of communities needs reconsideration.** Council believes that whilst this may be a logical assumption the length of unsealed roads should also be taken into account as these roads also serve smaller townships/communities as well as the population within our agricultural sector. Within the Break O'Day area we have townships such as Ansons Bay, Goulds Country, Lottah and Seymour who are located on unsealed roads.

Thank you for considering our feedback. We are happy to engage further on this matter and contribute to ensuring the success of the reforms.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Brown', with a stylized, cursive script.

John Brown
GENERAL MANAGER