



Corporate & Works Committee

Agenda: *Corporate & Works Committee*

Date: *Monday 1 June 2009*

Time: *6.00pm*

Outline of Meeting Protocol & Procedure:

- The Chairperson will call the Meeting to order and ask the Committee/Staff to present apologies or late correspondence.
- The Chairperson will commence the Order of Business as shown in the Index to the Agenda.
- At the beginning of each item the Chairperson will ask whether a member(s) of the public wish to address the Committee.
- If person(s) wish to address the Committee, they are allowed four (4) minutes in which to do so. Please direct comments to the issues at hand.
- If there are persons representing both sides of a matter (eg applicant/objector), the person(s) against the recommendation speak first.
- At the conclusion of the allotted four (4) minutes, the speaker resumes his/her seat and takes no further part in the debate unless specifically called to do so by the Chairperson.
- If there is more than one (1) person wishing to address the Committee from the same side of the debate, the Chairperson will request that where possible a spokesperson be nominated to represent the parties.
- The Chairperson has the discretion whether to continue to accept speakers from the floor.
- After considering any submissions the Committee will debate the matter (if necessary), and arrive at a recommendation (R items which proceed to Full Council) or a resolution (D items for which the Committee has delegated authority).

Delegated Authority (“D” Items):

- General financial and corporate management of the Council, except those specifically excluded by statute, by Council direction or delegated specifically to another Committee.
- Note: This not to limit the discretions of nominated staff members exercising Delegated Authorities granted by the Council.
- Quarterly review of Council's Management Plan.
- Finance Regulations, including:-
 - Authorisation of expenditures within budgetary provisions where not delegated;
 - Quarterly review of Budget Review Statements;
 - Quarterly and other reports on Works and Services provision; and
 - Writing off of rates, fees and charges because of non-rateability, bad debts, and impracticality of collection.
- Auditing.
- Property Management.
- Asset Management.
- Traffic Management - Works Implementation.
- Works and Services - Monitoring and Implementations.
- Legal Matters and Legal Register.
- Parks and Reserves Management.
- Infrastructure Management, Design and Investigation.
- To require such investigations, reports or actions as considered necessary in respect of matters contained within the Business Agenda (and as may be limited by specific Council resolution).
- Confirmation of Minutes of its Meeting.
- Any other matter falling within the responsibility of the Corporate and Works Committee and not restricted by the Local Government Act or required to be a Recommendation to Full Council as listed below.

Recommendation only to the Full Council (“R” Items):

- Such matters as are specified in Section 377 and within the ambit of the Committee considerations.
- The voting of money for expenditure on works, services and operations.
- Rates, Fees and Charges.
- Donations
- Matters which involve broad strategic or policy initiatives within responsibilities of the Committee.
- Matters not within the specified functions of the Committee.
- Asset Rationalisation.
- Corporate Operations:-
 - Statutory Reporting; - Delegations.
 - Adoption of Council's Management Plans; - Policies.
 - Quality Service/Communications; - Tenders as per Regulation requirements.
 - Leases.
 - Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes

Committee Membership:

6 Councillors

Quorum:

The quorum for a Committee meeting is 4 Councillors.

WOOLLAHRA MUNICIPAL COUNCIL

Notice of Meeting

28 May 2009

To: His Worship The Mayor, Councillor Andrew Petrie ex-officio
Councillors Greg Medcraft (Chair)
 Anthony Boskovitz
 Peter Cavanagh (Deputy)
 Nicola Grieve
 Ian Plater
 Isabelle Shapiro

Dear Councillors

Corporate & Works Committee Meeting – 1 June 2009

In accordance with the provisions of the Local Government Act 1993, I request your attendance at a Meeting of the Council's **Corporate and Works Committee** to be held in the **Council Chambers, 536 New South Head Road, Double Bay, on Monday 1 June 2009 at 6.00pm.**

Gary James
General Manager

Additional Information Relating to Committee Matters

Site Inspection

Other Matters

Meeting Agenda

Item	Subject	Pages
1	Leave of Absence and Apologies	
2	Late Correspondence	
3	Declarations of Interest	

Items to be Decided by this Committee using its Delegated Authority

D1	Confirmation of Minutes of Meeting held on 18 May 2009	1
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Items to be Submitted to the Council for Decision with Recommendations from this Committee

R1	Bellevue Hill Shopping Centre Streetscape Improvement works – Project C – Lighting & Electrical Services – Tender No. 09/04 – 1216.G	2
R2	Queens Avenue, Vaucluse – Proposed Lease & Easements to Formalise Encroachments on the Road Reserve – 374.G (Part 2)	7
R3	Annual Fee for Mayor & Councillors – 18.G	19

Item No: D1 Delegated to Committee
Subject: **Confirmation of Minutes of Meeting held on 18 May 2009**
Author: Les Windle, Manager – Governance
File No: See Council Minutes
Reason for Report: The Minutes of the Meeting of Monday 18 May 2009 were previously circulated. In accordance with the guidelines for Committees' operations it is now necessary that those Minutes be formally taken as read and confirmed.

Recommendation:

That the Minutes of the Corporate and Works Committee Meeting of 18 May 2009 be taken as read and confirmed.

Les Windle
Manager – Governance

Item No: R1 Recommendation to Council

Subject: **Bellevue Hill Shopping Centre Streetscape Improvement Works – Project C, Lighting & Electrical Services - Tender No. 09/04**

Author: Mark Ramsay – Manager, Depot & Waste Services

File No: 1216.G

Reason for Report: To recommend to Council the acceptance of a Tender

Recommendation:

- A. That Council enter into a Lump Sum contract for \$505,623.00 (excluding GST) with Wilken Service Pty Ltd for the Bellevue Hill Shopping Centre Streetscape Improvement Works Project C – Lighting and Electrical Services, subject to a satisfactory financial capability check.
- B. That the successful and unsuccessful tenderers be advised accordingly.

Background

In the adoption of the 2007/2008 budget Council resolved to borrow funds totalling \$6.525m to undertake various streetscape improvement projects. One of these projects was the upgrading of the Bellevue Hill shopping centre to improve the environmental performance, traffic and parking management and visual presentation of the centre. Bellevue Hill Shopping Centre Improvement Works are also included in the adopted S94A Schedule of Works as a Short Term (High Priority) project.

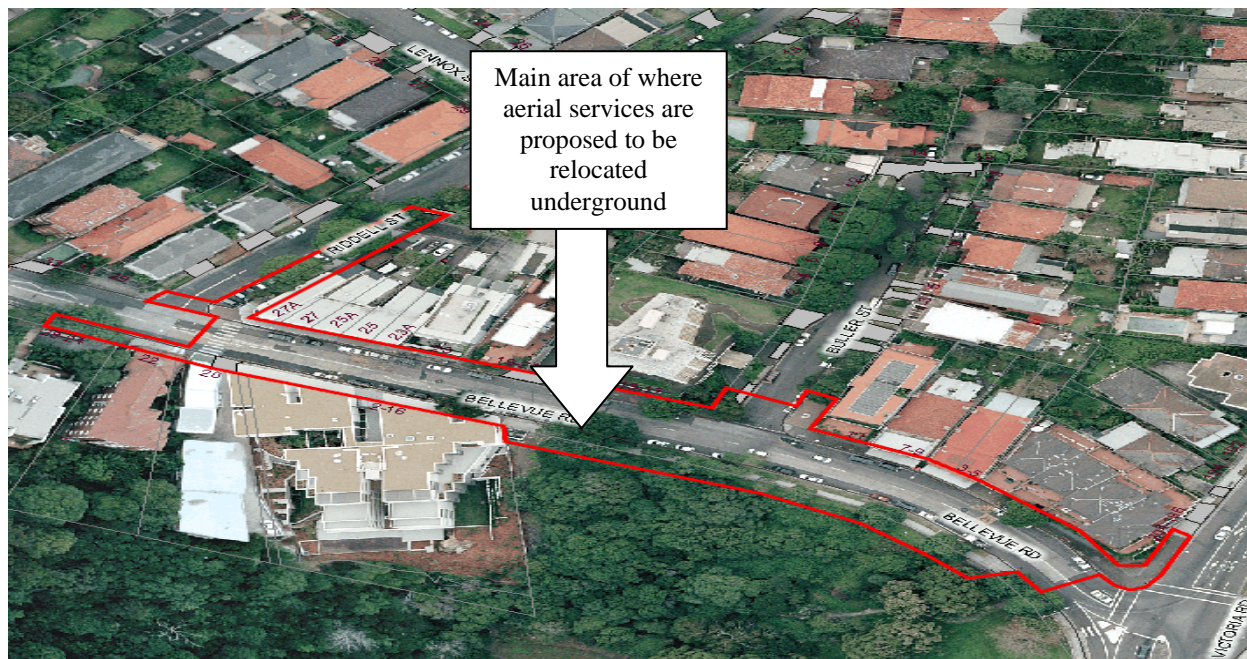
In order to expedite the start date for the Bellevue Hill shopping centre construction program the project was broken down into three separable portions; Project A – Electrical Works, Project B – Civil Works, and Project C – Lighting and Electrical Services.

Council advertised for tender submissions for Project A and Project B in early December 2008 with the closing date on 28 January 2009. Project C contained components that required further development and were not ready to be tendered at the same time as Project A and Project B. These components included procurement of the multi-function pole street lights and coordinating Telstra and Optus to relocate their existing overhead services that are currently located on the Energy Australia power poles.

Project A – Electrical Works covers the installation of the electrical conduits under the footpath and across the road. A lump sum price of \$440,155.00 (excluding GST) was submitted by Power Serve Pty Ltd and was accepted by Council. These works commenced on site 12 May 2009.

Project B – Civil Works covers the road and footpath reconstruction. A lump sum price of \$616,701.00 (excluding GST) was submitted by Statewide Civil Pty Ltd and was accepted by Council.

Location map of proposed lighting and electrical works



Invitation to Tender

The tender for the Bellevue Hill Shopping Centre Streetscape Improvement Works - Project C was advertised in the Sydney Morning Herald on Tuesday 14 April 2009 and the Wentworth Courier on Wednesday 15 April 2009.

A pre-tender meeting was held on Wednesday, 6 May 2009. Questions raised by tenderers were answered and a record of the questions and answers was circulated to all tenderers who attended, or who were unable to attend but registered their interest to receive information.

Tenders closed at 2:30pm on Thursday, 14 May 2009. A total of three tenders were received prior to the closing date and time.

Tender Assessment

The tender assessment panel comprised Mark Ramsay, – Manager, Depot & Waste Services as the convenor and independent member of the tender panel, Trent Scrivener, Project Engineer – Streetscapes as the Commissioning Officer and Peter Cassilles as the Project Manager.

Prior to the closing date the tender panel agreed on the weightings that would be used against the tender selection criteria.

Following the initial assessment, the three tenderers were requested to attend an interview with the tender assessment panel to provide additional information to clarify their tenders. This information was then used in further assessment to establish the final tender scores.

The lump sum tender prices are shown in Table One below, and exclude GST:

Table One – Tenderers and Lump Sum Tender Prices

TENDERER	Lump Sum Tender Price
1. Wilken Service Pty Ltd	\$505,623.00
2. Power Serve Pty Ltd	\$620,815.00
3. Poles & Underground Pty Ltd	\$659,670.00

Final scores:

Final scores and rankings are shown in Table Two, and take into account the post-tender interviews and any other information provided by way of clarification.

Table Two – Tender Evaluation Scores

TENDERER	Price <i>Weighting: 40</i>	Price Qualifications <i>Weighting: 5</i>	Program <i>Weighting: 17.5</i>	Demonstrated Experience <i>Weighting: 15</i>	Quality Management <i>Weighting: 7.5</i>	Company Resources <i>Weighting: 7.5</i>	OHS & Environmental Capabilities <i>Weighting: 7.5</i>	Total Score <i>Weighting: 100</i>
Wilken Service Pty Ltd	40.00	2.50	13.75	13.38	3.75	3.75	5.00	82.13
Power Serve Pty Ltd	32.58	2.50	13.86	10.13	7.50	3.75	6.25	76.56
Poles & Underground Pty Ltd	30.66	2.50	13.04	8.50	7.50	3.75	5.63	71.57

Wilken Service Pty Ltd – Conforming, ranked no. 1

Wilken Service has completed many projects of this type, size and complexity in the past. Good visual examples were provided with their tender submission showing examples of electrical works similar to the Bellevue Hill Shopping Centre project.

CVs were provided by Wilken Service. Key personnel have over 10 years experience in the electrical industry.

Wilken Service will undertake all components of the work without subcontractors. Their proposed program runs for 13 weeks the shortest duration of the tenders submitted. Their program showed satisfactory detail.

Wilken Service's OH&S system, although not ISO 9001 compliant, shows evidence of a well documented system. Wilken Service's QA policies and procedures and Environmental Management, although not ISO 9001 compliant, show evidence of satisfactorily documented systems. Wilken Service has suffered no Lost Time Injury in 39,430 hrs worked on their last three projects.

Wilken Service has not undertaken work for Council previously, however reference checks were undertaken with other Local Government Organisations who advise they undertook works, similar to the Bellevue Hill Shopping Centre project, to a satisfactory standard, within approved budget and agreed timing.

Wilken Service's lump sum price was the lowest at \$505,623.

PowerServe Australia Pty Ltd – Conforming, ranked no. 2

Power Serve has completed many projects of this type, size and complexity in the past. Average visual examples were provided with their tender submission.

CVs were provided by Power Serve. Key personnel have over 10 years experience in the electrical industry.

Power Serve has nominated subcontractors to undertake the laying of the electrical conduits and traffic control. Council's experience with these subcontractors on a current project is very good. Their proposed program runs for 20 weeks, which includes three weeks of preliminaries and is the longest duration of the tenders submitted. Their program showed good detail.

Power Serve's OH&S system, QA policies and procedures and Environmental Management are ISO 9001 compliant. Power Serve has suffered 10 hours of Lost Time Injury in 20741 hours worked on their last four projects.

Power Serve is currently undertaking the contract for the design and construction of the Multi Function Poles in New South Head Road, Double Bay and Bellevue Hill Shopping Centre - Project A – Electrical Works in a satisfactory manner.

Power Serve's lump sum price was the second lowest at \$620,815.

Poles & Underground Pty Ltd – Conforming, ranked no. 3

Poles & Underground has completed many projects of this type, size and complexity in the past. No visual examples were provided with their tender submission.

CVs were provided by Poles & Underground. Key personnel have over 10 years experience in the electrical industry.

Poles & Underground will undertake all components of the work without subcontractors. Their proposed program runs for 14 weeks, which is the second shortest of the tenders submitted. Their program showed satisfactory detail.

Poles & Underground's OH&S system, QA policies and procedures and Environmental Management are ISO 9001 compliant. Poles & Underground has suffered 90 hours of Lost Time Injury in 34518 hours worked on their last four projects.

Poles & Underground were the electrical subcontractor for the Five Ways, Paddington project.

Poles & Underground's lump sum price was the highest at \$659,670.

Conclusion:

The tender assessment panel when considering all aspects of the tender assessment criteria of the tenders believes Wilken Service offers the best value for money for the project. Wilken Service is the lowest tender and has the shortest project duration.

The tender panel recommends that Council enter into a lump sum contract tender price of \$505,623 with Wilken Service for the Bellevue Hill Shopping Centre Streetscape Improvement Works Project C – Lighting and Electrical Services.

Identification of Income and Expenditure

On 2 March 2009 Council resolved to fund the Bellevue Hill shopping centre upgrade Project A - Electrical Works, for a lump sum price of \$440,155.00 (excluding GST) and Project B - Civil Works, a lump sum price of \$616,701.00 (excluding GST).

Council also resolved to reserve \$743,026.00 in the 2009-10 Section 94A funds to complete Project C. The sum of \$743,026.00 was based on the Project Engineer's estimated costs for the construction of Project C.

Competitive quotes were called, in accordance with Council's Procurement Procedures, for supply of the multi-function pole street lights. The Fyntrim Multi-pole was selected and 17 units will be supplied at a cost of \$112,205.00.

The following table illustrates the construction costs associated with Project C.

Project C – Lighting and Electrical Services	Construction Costs (excl. GST)
Supply multi-function pole street lights	\$ 112,205.00
Construct Project C components	\$ 505,623.00
TOTAL – Project C	\$ 617,828.00

There is an available surplus of funding in the 2009-10 Section 94A funds of \$125,198 with respect to Project C. It is expected that a portion of these surplus funds will be taken up by project management fees and ancillary items related to the project.

Recommendation

- A. That Council enter into a Lump Sum contract for \$505,623.00 (excluding GST) with Wilken Service Pty Ltd for the Bellevue Hill Shopping Centre Streetscape Improvement Works Project C – Lighting and Electrical Services, subject to a satisfactory financial capability check.
- B. That the successful and unsuccessful tenderers be advised accordingly.

Mark Ramsay
Manager, Depot & Waste Services

Warwick Hatton
Director Technical Services

Item No: R2 Recommendation to Council
Subject: **Queens Ave, Vacluse - Proposed Lease & Easements to Formalise Encroachments on the Road Reserve**
Author: Zubin Marolia, Manager Property and Projects
File No: 374.G (Part 2)
Reason for Report: Progress report on action to formalise encroaching structures on the road reserve area by adjoining owners of Queens Avenue, Vacluse.

Recommendation:

- A. That Council decline the requests to purchase the sites of encroachments on the road reserve adjoining Nos 5, 7 and 11 Queens Avenue, Vacluse.
- B. That the parking space at 11 Queens Avenue, Vacluse be formalised by the grant of a lease under the Roads Act, subject to payment of Council's costs related to this matter.
- C. That the building encroachments at 11 Queens Avenue, Vacluse be formalised by the grant of an Easement to Permit Existing Structures to Remain, to continue for the life of the building, or the redevelopment of the site, or the redevelopment of the structures, whichever occurs first, subject to payment of monetary compensation and all Council's costs related to this matter.
- D. That the lease rental and easement compensation payable in regard to the encroachment by the adjoining owners of 11 Queens Avenue, Vacluse be determined by a registered Valuer.
- E. That Council resolve to require the owner of 5 Queens Ave, to enter into a Positive Covenant in favour of Council to formalise the encroachment on the road reserve.
- F. That a further report be submitted regarding the formalisation of encroachments at 5 and 7 Queens Avenue, Vacluse, when a response has been obtained.

Background:

The Corporate & Works Committee meeting of 20 October 2008 considered a further report on the proposed actions for the management of encroachments in Queens Avenue, Vacluse and the Council resolved as follows:

- A. *That Council require the owners of Nos. 2, 4, and 9 Queens Avenue to enter into a positive covenant in favour of Council for the encroachments adjoining their properties.*
- B. *That Council write to the owners of 3a Queens Avenue requiring the removal of part of the encroachment adjoining their property, and requiring them to enter into a positive covenant in favour of Council for the remaining encroachment adjoining their property.*
- C. *That Council require the owners of 5 & 7 Queens Avenue to apply for an Easement to Permit Encroaching Structures to Remain for the encroachment adjoining their land.*

D. That Council require the owners of 11 Queens Avenue to enter into a Lease, and apply for an Easement to Permit Encroaching Structures to Remain for the area of the encroachment adjoining their land.

The purpose of this report is to progress encroachment management action being taken at Queens Avenue, Vacluse in accordance with the above resolution. We have been negotiating with the owners of 2, 3a, 4, 5, 7, 9, and 11 Queens Avenue to obtain compliance with Council's resolution. Annexure 1 contains site photos of the more significant road reserve encroachments, being 5, 7, and 11 Queens Avenue.

Proposed Positive Covenants

Positive covenants impose obligations on the adjoining owner in favour of Council to indemnify Council against Public Liability claims and ensure that the burden of maintenance for encroaching structures rests with the adjoining property owner. This is a necessary encroachment management action, reducing Council's operational risk.

Part A of the above resolution has been addressed. The adjoining owners of 2, 4, and 9 Queens Avenue have agreed in writing to enter into a Positive Covenant with Council, and Council's standard positive covenant document has been issued for the owners' execution.

Part B has been addressed. We have written to the owners of 3a Queens Avenue requiring the removal of part of the encroachment adjoining their property. At a site meeting, it was agreed that removal work would be carried out by Council, and that the owners would enter into a Positive Covenant in favour of Council for the remaining encroachment adjoining their properties. The adjoining owners of 3a Queens Ave have agreed in writing to Council's standard positive covenant document, which has been issued for the owners' execution.

Proposed Easement and Road Lease

In accordance with the Roads Act, 1993 leases may be granted only in respect of structures which may be easily demolished, or areas of roadway without structures built on them. Based on legal advice, for permanent structures not easily demolished e.g. large retaining walls, Council's Policy provides for the granting of an Easement to Permit Existing Structures to Remain.

Monetary compensation is payable to Council for granting an easement in favour of the adjoining owner for encroaching structures. The compensation amount is determined by a registered Valuer, and all costs in regard to the required survey plans, valuation and legal fees are payable by the property owners.

With regard to Parts C and D of the above resolution, Council resolved to require the owners of 5, 7 and 11 Queens Ave to formalise the encroaching structures on the road reserve by way of easements and a lease. The encroachments adjacent to Nos. 7 and 11 are significant.

At 5 Queens Ave, they comprise an estimated 54 square metres of landscaping, garden terraces, and access stairwell. Although the resolution of 20 October 2008 calls for an easement, we have reviewed this encroachment and now recommend a positive covenant, as the encroachment comprises only landscaping and garden structures. This will entail significantly less expense for the adjoining owner while protecting Council's interest.

Number 7 Queens Ave has an estimated 72 square metres of garden landscaping, access stairwell, retaining wall, and patio structure on road reserve.

Numbers 5 and 7 have the one owner, who is understood to be currently overseas. To date, we have not received a response in regard to our letter regarding the proposed easement or positive covenant. This matter is currently being followed up, and will be the subject of a further report.

These properties are being managed by a local agent, and a firm of architects, who have advised that the owner has indicated a preference to purchase the road reserve area (see letter attached at Annexure). Council has previously declined a request to purchase the site of an encroachment at No. 3 Queens Avenue. Although the issues which affected Council's decision at No.3 may not apply in this location, it is considered that for consistency of approach Council should decline this request.

No. 11 Queens Avenue has an estimated 25 square metres concrete car parking hardstand, and 25 square metre area including an access staircase, retaining wall, garden landscaping and an electrical equipment room. The owner has agreed to Council's requirement, and the Council's terms and conditions, for a Lease for the hardstand and an Easement agreement in respect of the encroachments.

This owner has also indicated a preference to purchase the subject road reserve portion (see attached letter at Annexure 2). As noted above, although the issues which affected Council's decision at No.3 may not apply in this location, it is considered that for consistency of approach Council should decline this request.

Note: All the above areas are an estimate only and may need to be adjusted. The exact sizes of these encroachments will be determined by detailed survey.

Next Steps

Advertising of all proposals for formalising encroachments occurred in August 2008.

It is proposed to now proceed to obtain a valuation of the easement compensation payable by the owner of 11 Queens Ave (25 square metre area), and to obtain a valuation for the rent for the estimated 25 square metre area of the concrete hardstand.

Conclusion

Subject to the Committee resolution taken at this meeting, the representatives of the Owner of 5 and 7 Queens Avenue will be contacted to obtain a response in respect of formalising the encroachment by entering into a Positive Covenant for No 5 and Easement for No 7. A further report will be provided to Council.

It is considered that Council should, for consistency of approach, decline the requests to purchase the sites of encroachments on the road reserve adjoining Nos 5, 7 and 11 Queens Avenue, Vacluse.

It is recommended that the parking space at 11 Queens Avenue, Vacluse be formalised by the grant of a lease under the Roads Act, subject to payment of Council's costs related to this matter, and that the building encroachments at 11 Queens Avenue, Vacluse be formalised by the grant of an Easement to Permit Existing Structures to Remain, subject to payment of monetary compensation and all Council's costs related to this matter.

The lease rental and easement compensation payable in regard to the encroachment by the adjoining owners of 11 Queens Avenue, Vaucluse will be determined by a registered Valuer.

Zubin Marolia
Manager Property and Projects

Warwick Hatton
Director Technical Services

Annexures:

1. Request to purchase land adjoining Numbers 5 & 7 Queens Avenue, including a site plan showing encroachment upon Queens Avenue road reserve, and area proposed for easement.
2. Request to purchase land adjoining Numbers 11 Queens Avenue, including an aerial photo of area proposed Lease and Easement.

Item No: R3 Recommendation to Council
Subject: Annual Fee for Mayor and Councillors
Author: Les Windle - Manager Governance
File No: 18.G
Reason for Report: The Local Government Act requires that Council determine the annual fees payable to the Mayor and Councillors.

Recommendation:

- A. That, in accordance with Section 248 of the Local Government Act 1993, Council fix the annual fee for Councillors at an amount of \$15,500 per Councillor for the period 1 July 2009 to 30 June 2010.
- B. That, in accordance with Section 249 of the Local Government Act 1993, Council fix the annual fee for the Mayor at an amount of \$33,840 for the period 1 July 2009 to 30 June 2010.

Background:

Section 248 of the Local Government Act refers to the fixing and payment of annual fees to Councillors and requires that:

1. a council must pay each councillor an annual fee
2. a council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the appropriate determination of the Remuneration Tribunal
3. the annual fee so fixed must be the same for each councillor
4. a council that does not fix the annual fee must pay the appropriate minimum fee determined by the Remuneration Tribunal

Section 249 of the Local Government Act refers to the fixing and payment of annual fees to the Mayor and requires that:

1. a council must pay the mayor an annual fee
2. the annual fee must be paid in addition to the fee paid to the mayor as a councillor
3. a council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the appropriate determination of the Remuneration Tribunal
4. a council that does not fix the annual fee must pay the appropriate minimum fee determined by the Remuneration Tribunal
5. a council may pay the deputy mayor (if there is one) a fee determined by the council for such time as the deputy mayor acts in the office of the mayor. The amount of the fee so paid must be deducted from the mayor's annual fee.

Proposal:

This year the Remuneration Tribunal undertook a review of the categories of Councils together with the usual review of submissions received from individual Councils for recategorisation.

In relation to the categories of Council, the Tribunal has determined that the current groupings are to remain unchanged but that the grouping names will change to a descriptive title.

The descriptive titles for the categories are as follows:

Previous Category	New Category
4	Rural
3	Regional Rural
2	Metropolitan
1	Metropolitan Centres
1A	Metropolitan Major
S2	Major City
S1	Principal City
S3	County Councils
S4	County Council - Water

Woollahra Council remains as a category 2 – Metropolitan Council.

The Tribunal has determined that the increase in fees is 2.5% and that the fee for Metropolitan Councils for the period 1 July 2009 to 30 June 2010 is:

Councillor		Mayor	
Minimum	Maximum	Minimum	Maximum
\$7,040	\$15,500	\$14,980	\$33,840

Council must determine the councillor fee and the mayoral fee within the range determined by the Tribunal.

In 2008 the Tribunal increased the fees by 4% and set the range for the 2008/2009 period at \$6,870 - \$15,120 for Councillors and \$14,610 - \$33,010 for the Mayor.

At the Council Meeting held on 16 June 2008 Council resolved that the annual fee be \$14,860 for Councillors and \$32,450 for the Mayor. The increase in fees adopted by Council was based on the permissible rate increase of 3.2% above the fee paid for the previous period.

Council has adopted the practice of not taking up the full increase determined by the Tribunal since 2006 as shown below:

Period	Tribunal Increase	Council Increase
2006/7	4%	3.6%
2007/8	4%	3.4%
2008/9	4%	3.2%

Prior to 2006/7 Council's usual practice was to pay the maximum fee determined by the Tribunal.

To assist in determining this matter, Councillors may wish to consider the following:

- i) the time required to attend and prepare for Monday night meetings;
- ii) the time required to attend other meetings such as SSROC, Strategic and Corporate Committee and Working Parties, community consultation meetings and other reference groups;
- iii) the time taken to attend to individual representations made by members of the community;
- iv) the additional benefits provided to Councillors in the policy for the payment of expenses and provision of facilities.

Consideration should also be given to the limited facilities provided to Councillors. Council does not provide items such as laptop computers, mobile phone, facsimile machines or other equipment for use by Councillors and, in the past, the recognition of the provision of limited facilities has allowed Council to set the fees at the maximum level.

Options:

The Minister for Local Government has set the permissible rate increase for 2009/10 at 3.5%. If Council was of a mind to increase the fee for Councillors and the Mayor at the permissible rate increase (3.5%), as it did for the 2006/7, 2007/8 and 2008/9 periods, the fees would be as follows:

- \$15,380 for Councillors
- \$33,585 for the Mayor.

Council can however, determine to set the fee payable to Councillors and the Mayor at any level within the range determined by the Remuneration Tribunal, that is:

- \$7,040 to \$15,500 for Councillors
- \$14,980 to \$33,840 for the Mayor

Council may also wish to consider setting the fee at the current fee plus the 2.5% increase determined by the Tribunal. A 2.5% increase on the current fees would be as follows:

- \$15,230 for Councillors
- \$33,260 for the Mayor

The above options are summarised in the following table.

	Current Fee	3.5% Increase in line with rates Increase	Tribunal maximum amount	2.5% Tribunal increase applied to current fee
Councillors	\$14,860	\$15,380	\$15,500	\$15,230
Mayor	\$32,450	\$33,585	\$33,840	\$33,260

Identification of Income & Expenditure:

The draft 2009-2010 budget was prepared allowing for an estimated Councillor fee of \$15,450 and estimated Mayoral fee of \$34,000.

If Council was to increase the fees for Councillors and the Mayor by the permissible rate increase of 3.5%, Council's 2009-2010 budget would be sufficient, and a minor budget savings of \$1,515 would be made at the September quarterly budget review.

If Council adopted the maximum permissible fee for Councillors (\$15,500) and the Mayor (\$33,840), a budget increase of \$550 would be required in the September quarterly budget review.

If Council was to increase the fee for Councillors and Mayor by the 2.5% increase adopted by the Tribunal but applied to the current fees, a budget savings of \$1,090 would be made at the September quarterly budget review.

Conclusion:

Council must determine a fee to be paid to Councillors and the Mayor and the fee must be within the range determined by the Local Government Remuneration Tribunal. Taking into consideration the time required by Councillors to fulfil their civic duties and the limited facilities provided by Council to undertake those civic duties, it is recommended that the Councillor fee be determined as \$15,500 and the Mayoral fee be determined as \$33,840 for the period 1 July 2009 to 30 June 2010.

Les Windle
Manager Governance

Stephen Dunshea
Director Corporate Services

Annexures:

1. Local Government Remuneration Tribunal – 2009 Report and Determinations

**POLITICAL DONATIONS DECISION MAKING FLOWCHART
FOR THE INFORMATION OF COUNCILLORS**

