



No. 18 of 2024

REPORT OF THE REMUNERATION TRIBUNAL

2024 Review of Minimum and Maximum Remuneration for the City of Holdfast Bay Council Local Government Chief Executive Officer

INTRODUCTION

1. On 11 September 2024, the Remuneration Tribunal (**Tribunal**) received an application from the City of Holdfast Bay Council requesting the Tribunal move the City of Holdfast Bay from band 4 (\$319,280 - \$358,550) to band 3 (\$357,760 - \$388,253). The current bandings are provided for in Determination 4 of 2024, where the Tribunal recently, on 9 September 2024, provided a 2% increase to the maximum of each band set by the Tribunal.
2. Council's application was made on the basis that the Chief Executive Officer (**CEO**) of the City of Holdfast Bay had recently retired and therefore Council was about to undertake a recruitment process to attract, appoint and remunerate a new CEO.
3. For the reasons provided within this report, the Tribunal has determined to take into account the information provided by Council as part of its broader review being conducted for all Local Government CEOs.

LEGISLATIVE PROVISIONS

4. Section 14 of the *Remuneration Act 1990* (SA) (**Act**) provides that the Tribunal has jurisdiction to determine the remuneration, or a specified part of the remuneration, payable in respect of certain offices, if such jurisdiction is conferred upon the Tribunal by any other Act or by the Governor by proclamation.
5. Section 99A of the *Local Government Act 1999* (SA) (**LG Act**) confers jurisdiction upon the Tribunal to determine the minimum and maximum remuneration that may be paid or provided to CEOs of Councils constituted under the LG Act.

THE REVIEW PROCESS

6. The City of Holdfast Bay's application can be summarised as follows:
 - The CEO of Council has retired and therefore a recruitment process is required.
 - Council considers the current remuneration band may deter some candidates from applying, with the majority of metropolitan Councils at band 4 or above.
 - The City of Holdfast Bay has unique factors such as owning an aged care facility, for which the CEO has responsibility. The facility has seen significant growth over the past few years with an approximate 300% increase in budgeted revenue now exceeding \$49 million and increases in staffing levels to approximately 500

employees. This has resulted in a consolidated budgeted revenue position of the Council of more than \$106 million.

- An independent expert remuneration specialist was engaged who, based on industry benchmarks, assessed the CEO role as being in the order of \$423,000.
 - Without responsibility for the aged care facility, the expert remuneration specialist advised that the remuneration would be within the current band, being band 4.
7. On 18 September 2024, the Tribunal requested further information from the Council. In particular, information relating to the organisational structure of the aged care facility and specific information concerning the responsibilities of the CEO in this regard. The Tribunal also sought information as to the recruitment timelines.
 8. On 16 October 2024, the Council provided further information.
 9. The Tribunal then invited the City of Holdfast Bay to meet. On 12 November 2024, the Tribunal met with Deputy Mayor, Susan Lonie and General Manager, Strategy and Corporate Sharon Wachtel. Council provided an update as to the recruitment process and undertook to provide further information in relation to the aged care facility.
 10. That information was provided on 19 November 2024.
 11. Section 10(2) of the Act provides that prior to the Tribunal making a Determination affecting the remuneration of a particular person, or persons of a particular class, the Tribunal must allow that person, or the persons of that class, a reasonable opportunity to make submissions orally or in writing to the Tribunal.
 12. Section 10(4) of the Act provides that the Honourable Premier of South Australia, as the Minister responsible for the Act, may intervene, personally or by counsel or other representative, in proceedings before the Tribunal for the purpose of introducing evidence, or making submissions, on any question relevant to the public interest.
 13. On 2 December 2024, the Tribunal wrote to the Premier, the Minister for Local Government as Minister responsible for the LG Act and the CEO of the Local Government Association, to invite submissions by 9 December 2024 on this application.
 14. The Tribunal also advertised its intention to consider this application on its website from 2 December 2024.
 15. On 10 December 2024, the Premier's representative confirmed that a submission would not be made.
 16. The Tribunal notes the media advice that a CEO has been appointed.
 17. No other submissions were received.

CONSIDERATION AND CONCLUSION

18. The Tribunal is in the process of completing an extensive review of the Local Government CEO minimum and maximum remuneration amounts and anticipates issuing a Report in this respect soon.
19. The Tribunal will consider the information provided by the City of Holdfast Bay as part of the extensive review and has therefore determined that no increase should be provided ahead of the general review.



Matthew O'Callaghan
PRESIDENT



Donny Walford
MEMBER



Mark Young
MEMBER

Dated: 17 December 2024