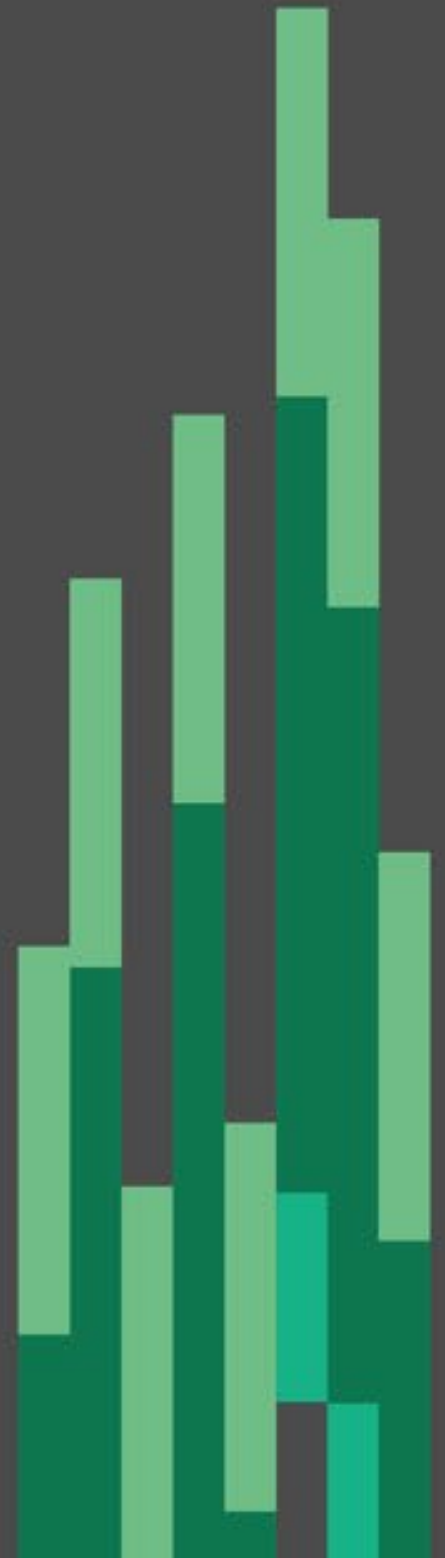

Victorian
Independent
Remuneration
Tribunal

Annual Report

2023–24



Authorised and published by the Victorian Independent Remuneration Tribunal
Ground Floor, 1 Treasury Place
Melbourne VIC 3002

ISSN 2653-7648 - Online (pdf/word)

© State of Victoria.



You are welcome to re-use this work under a Creative Commons Attribution 4.0 licence, provided you credit the State of Victoria (Victorian Independent Remuneration Tribunal) as author, indicate if changes were made and comply with the other licence terms. The licence does not apply to any branding, including government logos.

Except where otherwise indicated, the images in this publication show models and illustrative settings only, and do not necessarily depict actual services, facilities or recipients of services.

Contents

Message from the Chair	2
Abbreviations and glossary	5
1. About the Tribunal	6
1.1 Functions of the Tribunal.....	6
1.2 Machinery of government changes.....	7
1.3 Tribunal Members.....	7
Warren McCann – Tribunal Chair	7
Laurinda Gardner – Tribunal Member.....	7
The Honourable Jennifer Acton – Tribunal Member until June 2024	8
1.4 Annual report requirements.....	8
2. Review of operations.....	9
2.1 Members of Parliament.....	9
2024 Annual Adjustment Determination	9
2.2 Public sector executives	11
2024 VPS comprehensive Determination.....	11
VPS executive remuneration guidelines.....	13
Executives employed in prescribed public entities.....	13
Advice on executive motor vehicle policy	13
Payment above the band advice	14
2.3 Mayors, Deputy Mayors and Councillors.....	15
2024 Annual Adjustment Determination	15
2.4 State Budget performance measures.....	16
3. Other Tribunal matters.....	17
3.1 Tribunal meetings	17
3.2 Finance	17
3.3 Freedom of information requests.....	18
4. Office of the Compliance Officer.....	19
4.1 Compliance Officers	20
Peter Lewinsky AM.....	20
Jane Brockington.....	20
4.2 Report on the function of the Compliance Officer.....	20

Message from the Chair



Dear Assistant Treasurer

The main task undertaken by the Tribunal in financial year 2023-24 was a comprehensive review of the remuneration bands for executives employed in public service bodies.

In making its Determination, the Tribunal observed changes in the role of public service executives since its first Determination in May 2020, including the increasing complexity of roles and additional public scrutiny on executives. The Tribunal also commissioned a detailed market analysis that pointed to the reduced competitiveness of the previous remuneration bands, which may affect the ability of the government to attract and retain talented executives.

The Tribunal was mindful of Victoria's current fiscal position and the views of the Victorian Public Service (VPS) leadership that the previous remuneration bands were broadly appropriate. Weight was also given to the Government's Wages Policy and the importance of maintaining appropriate relativities between non-executive and executive employees.

Balancing these factors, the Tribunal decided to maintain the existing remuneration band structure for public service body heads and executives employed in the VPS and set new values for these bands from 1 July 2024. The effective increase in the value of the remuneration bands was between 4.0 and 4.5 per cent, inclusive of changes to statutory superannuation entitlements.

In addition to the determination of remuneration bands for public service body executives, the Tribunal also made annual adjustments to the value of salaries and work-related parliamentary allowances for Members of Parliament (MPs) and allowances payable to Local Government Mayors, Deputy Mayors and Councillors.

Each of these adjustments were made during a period of relatively high inflation in Australia and the world. Although all of the matters the Tribunal is required to consider under its legislation were weighed carefully, the Tribunal was mindful of the impact of its decisions on the broader economy. Thus, particular weight was given to the Government's Wages Policy and current and projected economic conditions and trends, in seeking to find the right balance between wages fairness for the occupational groups within the Tribunal's jurisdiction and the need for restraint dictated by the prevailing economic circumstances.

In response to a submission received, the Tribunal decided to make changes to the Members of Parliament Guidelines to better support MPs with a disability by updating the eligibility criteria for the commercial transport allowance and the Electorate Office and Communications Budget. I would like to acknowledge the excellent cooperation of the Department of Parliamentary Services and its Secretary, Trish Burrows, in supporting these changes. I would also like to thank the Clerks of the Parliament of Victoria, Bridget Noonan and Robert McDonald, for their assistance during the process.

This financial year was the third full year of the operation of the payment above the band process. As you know, if an employer proposes to pay an executive above the maximum of the relevant remuneration band, the employer must first seek and consider the advice of the Tribunal. The employer is not bound to accept the advice. In providing advice, the Tribunal strives to protect the integrity of the overall remuneration structure and at the same time recognise that there may be circumstances where prevailing market conditions justify a departure from the standard structure.

Over the course of the year, the Tribunal provided advice in response to 40 requests from public sector employers to pay a total of 60 executives above the maximum of the relevant band. This represented approximately two per cent of the total number of executives employed in the Victorian public sector and covered by the Tribunal's determinations. Thus, it is pleasing to be able to again report that the remuneration bands determined by the Tribunal appear to be appropriate for the vast majority of executives.

During the year the Tribunal surveyed MPs, Local Government Mayors and public sector employers about their level of satisfaction with the Tribunal's delivery of its outputs. The overall level of satisfaction was 84 per cent against a target of 80 per cent. In terms of the timeliness of its responses, the Tribunal delivered 98 per cent of its legislated work program within established time frames against a target of 85 per cent.

Nevertheless, over the coming year, the Tribunal proposes to further improve the information it provides about the reasons for its decisions and to reach out to key stakeholders to explain the Tribunal's statutory responsibilities and how it goes about its decision-making process. In this respect, it was noted that the lowest satisfaction rate came from the local government sector. The Tribunal proposes to engage more fully with the sector including addressing concerns raised during the annual adjustment consultation process.

I would like to acknowledge Jennifer Acton whose term as a Member of the Tribunal concluded on 3 June 2024. As an inaugural Member, Jenny guided the establishment of the Tribunal's systems and processes in its early days providing a foundation for the future built on both integrity and robustness. As a former Presidential Member of the Fair Work Commission, she brought a deep knowledge of wage-setting in Australia to the Tribunal's decision-making processes over the past five years. The Members wish her well in her future endeavours.

I would also like to welcome Gregory Wilson who was appointed as a Member of the Tribunal on 23 July 2024. Greg brings vast experience in various senior roles in the VPS as well as Chair or former Chair of numerous boards in the public sector. I very much look forward to working with him.

Finally, I would like to acknowledge the continuing exemplary performance of the Tribunal's Secretariat in every aspect of its work in supporting the Tribunal.

On behalf of the Tribunal's Members, it is my pleasure to submit this report to you.

Yours sincerely

A handwritten signature in black ink, appearing to read 'W. McCann', with a long, sweeping underline.

Warren McCann

Chair

Victorian Independent Remuneration Tribunal

10 October 2024

Abbreviations and glossary



Abbreviation or term	Definition
2020 PE Determination	<i>Remuneration bands for executives employed in prescribed public entities (Victoria) Determination No. 01/2020</i>
2023 MP Determination	<i>Members of Parliament (Victoria) Determination No. 01/2023</i>
2023 MP Guidelines	<i>Members of Parliament (Victoria) Guidelines No. 01/2023</i>
2024 LG annual adjustment Determination	<i>Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Annual Adjustment Determination 2024</i>
2024 MP annual adjustment Determination	<i>Members of Parliament (Victoria) Annual Adjustment Determination 2024</i>
2024 VPS Determination	<i>Remuneration bands for executives employed in public service bodies (Victoria) Determination No. 01/2024</i>
AO	Administrative Office
Council Members	Mayors, Deputy Mayors and Councillors
CPI	Consumer Price Index
EO&C Budget	Electorate Office and Communications Budget
FMA	<i>Financial Management Act 1994 (Vic)</i>
MP	Member of the Parliament of Victoria
p.a.	per annum
PE	prescribed public entity
RATA	Remote area travel allowance
SES	Senior Executive Service
TRP	total remuneration package
VIRTIPS Act	<i>Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019 (Vic)</i>
VPS	Victorian Public Service
VPS Guidelines	<i>Victorian Public Service Executive Remuneration Guidelines</i>
Wages Policy	<i>Wages Policy and the Enterprise Bargaining Framework</i>

1. About the Tribunal



The Victorian Independent Remuneration Tribunal provides transparent, accountable and evidence-based decision-making in relation to the remuneration of Members of the Parliament of Victoria (MPs), Victorian public sector executives and Mayors, Deputy Mayors and Councillors.

The Tribunal is established under the *Victorian Independent Remuneration Tribunal and Improving Parliamentary Standards Act 2019* (Vic) (VIRTIPS Act).

The Minister responsible for the Tribunal at 30 June 2024 was the Assistant Treasurer. In performing its functions, the Tribunal must act independently and impartially and is not subject to the control or direction of any person, including the Minister.

1.1 Functions of the Tribunal

The VIRTIPS Act requires the Tribunal to inquire into and make determinations in relation to:¹

- salaries and work-related parliamentary allowances for MPs
- remuneration bands for executives employed in public service bodies
- remuneration bands for executives employed in prescribed public entities
- allowances for Mayors, Deputy Mayors and Councillors.

Amongst other functions, the VIRTIPS Act also provides the Tribunal with powers to:

- make guidelines with respect to the use of work-related parliamentary allowances and the Electorate Office and Communications Budget (EO&C Budget) for MPs²
- issue guidelines with respect to the placement of public sector executives within the remuneration bands determined by the Tribunal³
- provide advice for proposals to pay executives above the relevant remuneration band set by a Determination⁴
- provide advice to the Minister on any matter relating to the remuneration of any specified occupational group.⁵

¹ VIRTIPS Act, s. 6(1).

² VIRTIPS Act, s. 36(1).

³ VIRTIPS Act, ss. 6(1)(e) and 6(1)(h).

⁴ VIRTIPS Act, ss. 6(1)(i) and 37(1).

⁵ VIRTIPS Act, s. 6(1)(l).

1.2 Machinery of government changes

The Ministerial portfolio responsible for the Tribunal was the Minister for Government Services from 1 July 2023 to 31 January 2024. From 1 February 2024, as part of machinery of government changes the Tribunal was moved to the Assistant Treasurer portfolio and the Tribunal's supporting Secretariat was transferred to the Department of Treasury and Finance.

1.3 Tribunal Members

The Tribunal consists of up to three Tribunal members.

Warren McCann – Tribunal Chair



Mr McCann has an extensive public service career, with senior appointments in Victoria, South Australia and at the Commonwealth level, including as Chief Executive Officer of the South Australian Department of Premier and Cabinet, Commissioner for Public Sector Employment in South Australia and as Secretary of the former Victorian Departments of Justice and Human Services.

Mr McCann is a Fellow of the Australian Institute of Public Administration.

Mr McCann has been a Member of the Tribunal since its inception.

Laurinda Gardner – Tribunal Member



Ms Gardner is a board director, organisational reform and change management consultant and career coach. She has over 25 years' senior executive experience and was formerly a Deputy Secretary with the Victorian Department of Treasury and Finance and a Director at the City of Melbourne. Ms Gardner has led large operational teams in diverse areas including strategic and business planning, HR, IT, communications, town planning, stakeholder engagement, finance and risk.

Ms Gardner has performed the role of trusted adviser to several Chief Executive Officers, was an Administrator at the City of Greater Geelong, is currently on the Boards of the Victorian Planning Authority and VicTrack, and is a member of several remuneration, and audit and risk committees.

Ms Gardner commenced as a Member of the Tribunal in September 2022.

The Honourable Jennifer Acton – Tribunal Member until June 2024



Ms Acton has significant workplace relations experience, including as a former Presidential Member of Australia's national workplace relations tribunal.

She is currently the Chair of the Victorian State Trustees Ltd, the Port of Hastings Corporation and LeavePlus. In addition to being a lawyer and economist, Ms Acton is a graduate of the Australian Institute of Company Directors.

Ms Acton was a Member of the Tribunal from its inception until 3 June 2024.

The Tribunal thanks Ms Acton for her many contributions as a Tribunal Member and wishes her all the best in her future endeavours.

1.4 Annual report requirements

The VIRTIPS Act specifies that the Tribunal is to prepare, as soon as practicable after the end of each financial year (and no later than 31 October), an annual report to the Minister about the following activities in the previous 12 months:⁶

- information about the number of Determinations made by the Tribunal
- details of any disclosure of an interest recorded in the minutes of a meeting of the Tribunal under section 14(4) of the VIRTIPS Act
- a review of the operations of the Tribunal, including the work undertaken by the Tribunal
- the number of MPs who have not complied with requests for further information by the Compliance Officer in the preceding year in relation to Determinations about separation payments
- the number of appeals heard by the Compliance Officer in the preceding year in relation to separation payments and the outcome of the appeals
- the number of MPs who have not complied with requests for further information by the Compliance Officer in the preceding year in relation to appeals relating to work-related parliamentary allowances and the EO&C Budget
- the number of appeals heard by the Compliance Officer in the preceding year in relation to appeals relating to work-related parliamentary allowances and the EO&C Budget and the outcome of the appeals
- a report on the performance of the function of the Compliance Officer
- any other prescribed matter.

These matters are addressed in this report.

⁶ VIRTIPS Act, s. 40.

2. Review of operations



In 2023-24, the Tribunal undertook work in relation to the remuneration arrangements for the following occupational groups:

- MPs
- executives employed in Victorian Public Service (VPS) bodies and prescribed public entities (PEs)
- Mayors, Deputy Mayors and Councillors (Council Members) in local governments in Victoria.

2.1 Members of Parliament

The Tribunal is responsible for inquiring into and setting the value of salaries and work-related parliamentary allowances for MPs.⁷ It may also make guidelines with respect to the use of some work-related parliamentary allowances and the EO&C Budget.⁸

The Determination in effect at 30 June 2024 was the *Members of Parliament (Victoria) Determination No. 01/2023* (2023 MP Determination) – the Tribunal’s second comprehensive Determination of MP salaries and allowances. The guidelines in force at 30 June 2024 were the *Members of Parliament (Victoria) Guidelines No. 01/2023* (2023 MP Guidelines).

2024 Annual Adjustment Determination

The Tribunal is required to make a Determination providing for an annual adjustment to the values set in the current MP Determination.⁹

On 1 July 2024, the Tribunal made the *Members of Parliament (Victoria) Annual Adjustment Determination 2024* (2024 MP annual adjustment Determination). This Determination adjusted the values of MP salaries, work-related parliamentary allowances and the EO&C Budget with effect from 1 July 2024.

In making the Determination, the Tribunal considered current and projected economic conditions, the financial position and fiscal strategy of the State, the Government’s wages policy and stakeholder submissions.¹⁰

⁷ VIRTIPS Act, ss. 6(1)(a)-(c).

⁸ VIRTIPS Act, s. 36(1).

⁹ VIRTIPS Act, s. 18.

¹⁰ VIRTIPS Act, s. 24(2).

The Tribunal gave weight to the current *Wages Policy and the Enterprise Bargaining Framework* (Wages Policy) and noted available data at the time of making the Determination that suggested a mixed economic outlook. The Tribunal also took into account remuneration adjustments for MPs in other jurisdictions and the Fair Work Commission’s *Annual Wage Review 2023-24*.

The Tribunal’s Determination increased the basic salary for MPs and the additional salary and expense allowance provided to specified parliamentary office holders by 3.5 per cent. From 1 July 2024, the basic salary payable to all MPs is \$205,798 per annum, with additional salaries payable to specified parliamentary office holders ranging from \$8,232 to \$229,636 per annum. The expense allowance payable to eligible specified parliamentary office holders ranges from \$3,683 to \$62,597 per annum.

The Tribunal adjusted the values of work-related parliamentary allowances in line with the relevant price movements in the Victorian economy. These adjustment rates were 3.4 per cent in line with the ‘transport’ group of the Melbourne Consumer Price Index (CPI) for domestic transport-related allowances and 3.6 per cent in line with Melbourne CPI for other allowances (Table 2.1).

Table 2.1: Values of work-related parliamentary allowances for MPs

Allowance type	Change compared to previous year (per cent)	Value (or range) from 1 July 2024 (\$ p.a.)
Electorate allowance	3.6	46,643 to 55,875
Parliamentary accommodation sitting allowance	3.6	27,567 to 55,133
Motor vehicle allowance	3.4	24,015 or 36,184
Commercial transport allowance	3.4	5,372 to 18,507
International travel allowance	3.6	11,153

The EO&C Budget formula was adjusted to reflect movements in relevant costs, including postage, and the effective rate per voter increased by 6.1 per cent. The Tribunal continued to link the travel allowance to rates set by the Commonwealth Remuneration Tribunal.

Through the consultation process for the Determination, submitters proposed changes to the 2023 MP Guidelines for the Tribunal’s consideration. The Tribunal decided to make specific changes to better support MPs with a disability by updating the eligibility criteria for the commercial transport allowance and the EO&C Budget. The *Members of Parliament (Victoria) Guidelines No. 01/2024* were made by the Tribunal on 24 July 2024 and were effective from 1 August 2024.

Further information about the 2024 MP annual adjustment Determination, including a detailed Statement of Reasons accompanying the Determination, and the current MP Guidelines is available on the Tribunal’s website.

2.2 Public sector executives

The Tribunal is responsible for inquiring into and determining the remuneration bands for executives employed in VPS bodies and PEs.¹¹

The Tribunal also has the functions of:¹²

- issuing guidelines with respect to the placement of executives within the remuneration bands
- providing advice to employers proposing to pay an executive above the relevant remuneration band
- providing advice to the Minister about the remuneration of executives.

In 2023-24, the Tribunal's work in relation to executives comprised:

- commencing a comprehensive Determination to reset the values of the remuneration bands for executives employed in VPS bodies
- reviewing the guidelines to support VPS employers in setting executive remuneration within the remuneration bands set by the Tribunal
- initial work on a comprehensive Determination to reset the values of the remuneration bands for executives employed in PEs
- preliminary work on advice to the Assistant Treasurer on options for updating the Executive Motor Vehicle Scheme to provide specific guidance for the provision of zero emissions vehicles
- advice to public sector employers proposing to pay an executive above the relevant remuneration band.

2024 VPS comprehensive Determination

On 2 July 2024, the Tribunal made its second comprehensive Determination for executives employed in public service bodies – the *Remuneration bands for executives employed in public service bodies (Victoria) Determination No. 01/2024* (2024 VPS Determination).

This Determination provided an opportunity to reset the values of remuneration bands to reflect current circumstances and the Tribunal accordingly set new remuneration bands from 1 July 2024 for public service body Heads and the Senior Executive Service (SES) in the VPS.

The Tribunal considered current and projected economic conditions, the financial position and fiscal strategy of the State of Victoria, the Government's wages policy and stakeholder submissions. In addition, the Tribunal was required to comprehensively review the roles of executives employed in public service bodies and the remuneration provided to those executives.¹³

¹¹ VIRTIPS Act, ss. 6(d) and 6(g).

¹² VIRTIPS Act, ss. 6 and 37.

¹³ VIRTIPS Act, s. 21.

To support the Tribunal’s consideration, it published a notice of its decision to make the Determination in December 2023 and invited submissions from affected parties. The Tribunal received submissions from the Commission for Gender Equality in the Public Sector, the Victorian Public Sector Commission and the Victorian Secretaries Board. The Tribunal also sent an online questionnaire to 1,665 executives employed in public service bodies and received 628 completed questionnaires (a response rate of 38 per cent).

In making the 2024 VPS Determination, the Tribunal observed changes in the role of public service executives since its first Determination, including the increasing complexity of roles and additional public scrutiny on executives. The Tribunal also commissioned a detailed market analysis that pointed to the reduced competitiveness of the previous remuneration bands, which may affect the ability of the government to attract and retain talented executives.

The Tribunal was mindful of Victoria’s current fiscal position and the views of the VPS leadership that the previous remuneration bands were broadly appropriate. The Tribunal also gave weight to the Government’s Wages Policy and the importance of maintaining appropriate relativities between non-executive and executive employees following in-principle agreement on a new VPS enterprise bargaining agreement.

Balancing these factors, the Tribunal decided to maintain the existing remuneration band structure for public service body Heads and executives employed in the SES and set new values for these bands from 1 July 2024 (Table 2.2). The effective increase in the value of the remuneration bands was between 4.0 and 4.5 per cent, inclusive of changes to statutory superannuation entitlements.

Table 2.2: Values of the remuneration bands for executives employed in public service bodies, 1 July 2024

Classification	Base of band TRP ^(a) (\$ p.a.)	Top of band TRP ^(a) (\$ p.a.)
SES-1 / AO Head-1	225,000	290,600
SES-2 / AO Head-2	290,601	419,000
SES-3 / AO Head-3	419,001	557,435
Secretary / Victorian Public Sector Commissioner	603,713	813,524

Note: (a) The remuneration bands are expressed as a total remuneration package (TRP) comprising base salary, non-monetary benefits and the cost of these to employers and employer superannuation contributions. All values are for executives employed on a full-time equivalent basis and apply pro-rata to executives employed on a part time basis.

The comprehensive Determination and accompanying Statement of Reasons is available on the Tribunal’s website.

VPS executive remuneration guidelines

The Tribunal is able to make guidelines regarding the placement of executives employed in public service bodies within the remuneration bands set by a Determination.¹⁴

In the context of making the 2024 VPS Determination, the Tribunal reviewed and updated its original guidelines and published the *Victorian Public Service Executive Remuneration Guidelines* (VPS Guidelines) on 2 July 2024.

The updates:

- give greater emphasis to government policies on diversity and inclusion in setting executive remuneration
- encourage VPS employers to regularly review executive remuneration arrangements, including to consider changes to the functions and responsibilities of executive roles and remuneration relativities.

The Tribunal also clarified that the VPS Guidelines do not require employers to remunerate an executive at the bottom of the relevant remuneration band.

The VPS Guidelines are available on the Tribunal's website.

Executives employed in prescribed public entities

The Tribunal is also responsible for setting the remuneration bands for executives employed in prescribed PEs.

The Determination currently in effect is the *Remuneration bands for executives employed in prescribed public entities (Victoria) Determination No. 01/2020* (2020 PE Determination), as amended by annual adjustment Determinations made in 2021, 2022 and 2023.

The VIRTIPS Act requires the Tribunal to make a new comprehensive Determination at the end of each subsequent four-year period following the previous comprehensive Determination being made.¹⁵ The 2020 PE Determination was made on 17 December 2020, which means the earliest that the next comprehensive Determination can be made is 18 December 2024.

The Tribunal intends to publish its PE comprehensive Determination by the end of 2024.

Advice on executive motor vehicle policy

The Minister may request the Tribunal provide advice about remuneration and funding in relation to any specified occupational group and remuneration in relation to prescribed public sector bodies.¹⁶

¹⁴ VIRTIPS Act, s. 36(6).

¹⁵ VIRTIPS Act, s. 19(2).

¹⁶ VIRTIPS Act, s. 37(3).

On 14 June 2024, the Assistant Treasurer requested the Tribunal’s advice on options for updating the Executive Motor Vehicle Scheme to provide specific guidance for the provision of zero emissions vehicles. The Tribunal’s advice is to be provided within six months of the date of the request from the Assistant Treasurer.

Payment above the band advice

The Tribunal is required to provide advice to public sector employers proposing to pay an executive above the maximum of the relevant remuneration band set by a Determination.¹⁷ This advice is published on the Tribunal’s website where appropriate to support greater transparency and accountability on executive remuneration.

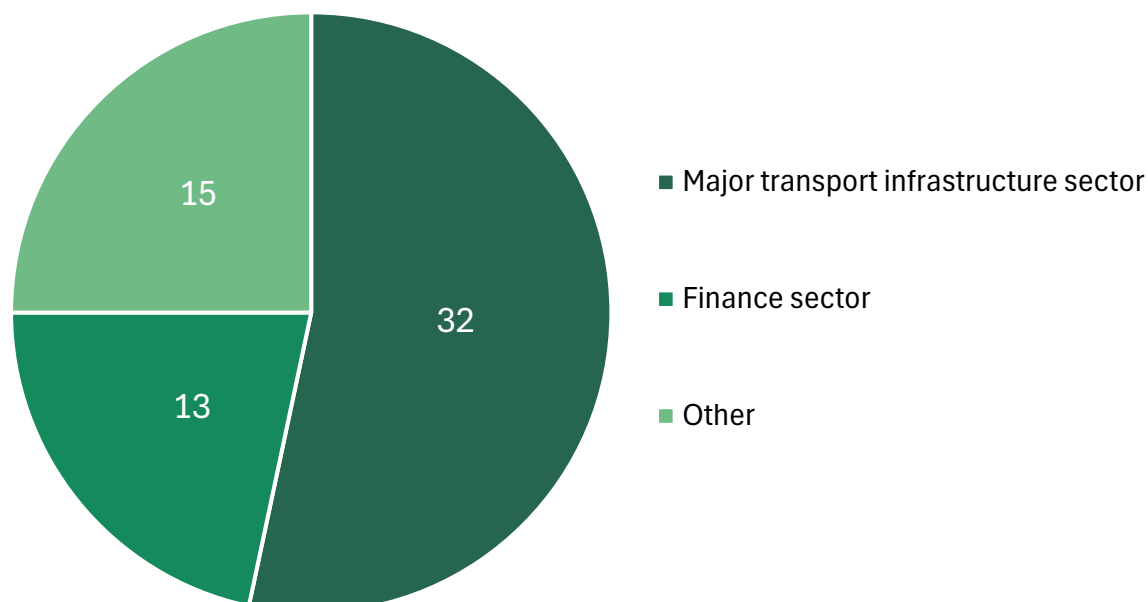
In 2023-24, the Tribunal provided advice in response to 40 requests from employers to pay a total of 60 executives above the maximum of the relevant remuneration band. This compares to 44 requests for advice in respect of 76 executives in 2022-23. Table 2.3 below provides a breakdown of payment above the band requests in 2023-24.

Table 2.3: Requests for payment above the band advice by employer type, 2023-24

Employer type	Number of requests	Number of executives
Victorian Public Service	13	25
Prescribed public entity	27	35

The majority of requests for advice related to executives employed in the major transport and finance sectors (Figure 2.1).

Figure 2.1: Requests for payment above the band advice by sector, 2023-24



¹⁷ VIRTIPS Act, s. 37(1).

2.3 Mayors, Deputy Mayors and Councillors

The Tribunal is responsible for setting the value of the allowances payable to Mayors, Deputy Mayors and Councillors (Council Members) in all 79 local governments in Victoria.¹⁸

The Determination in effect at 30 June 2024 was the *Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination No. 01/2022*.

The Determination set a base allowance for each Council Member, the value of which varies according to the role (Mayor, Deputy Mayor or Councillor) and the allowance category to which the Council has been assigned. The Determination also provided for a remote area travel allowance (RATA), which compensates eligible Council Members for the time taken to travel to council meetings or authorised functions.

2024 Annual Adjustment Determination

The Tribunal is required to make a Determination providing for an annual adjustment to the values set in the current Local Government Determination. The Tribunal has previously made annual adjustment Determinations in December 2022 and June 2023.

On 1 July 2024, the Tribunal made the *Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Annual Adjustment Determination 2024* (2024 LG annual adjustment Determination). This Determination adjusted the values of the base allowance and the RATA by 3.5 per cent with effect from 1 July 2024.

The Tribunal is required to consider a range of economic and financial factors, as well as submissions received, when making a Determination.¹⁹ The Tribunal also took into account recent adjustments to allowances for council members in other jurisdictions, the Victorian Government's rate cap for 2024-25 and the financial position of local councils presented in the most recent audit of councils by the Victorian Auditor-General's Office.

The current values of the base allowance for Council Members are set out in Table 2.4. Further increases to allowances for Mayors and Deputy Mayors are scheduled to be phased in from 18 December 2024.

Table 2.4: Value of the base allowance for Mayors, Deputy Mayors and Councillors, by Council allowance category, 1 July 2024 until 17 December 2024

Council allowance category	Mayors (\$ p.a.)	Deputy Mayors (\$ p.a.)	Councillors (\$ p.a.)
Category 1	84,498	42,248	27,291
Category 2	109,114	54,558	34,028
Category 3	134,954	67,477	40,769
Category 4 – Melbourne City Council	269,909	134,955	61,153

¹⁸ VIRTIPS Act, s. 23A.

¹⁹ VIRTIPS Act, s. 24(2).

The current value of the RATA is \$47.50 per day, up to a maximum of \$5,937.50 per annum.

Further information about the 2024 LG annual adjustment Determination, including a detailed Statement of Reasons accompanying the Determination, is available on the Tribunal's website.

2.4 State Budget performance measures

The *Victorian Budget 2023-24* specifies one quality and one timeliness performance measure for the Tribunal.²⁰

The quality measure relates to the satisfaction of key stakeholders — including MPs, public sector employers and Council Members — with the Tribunal's processes regarding Determinations, reviews and advice.

To measure stakeholder satisfaction, a questionnaire was sent to approximately 400 stakeholders, including MPs and the Clerks of the Parliament of Victoria, public sector employers and local government Mayors. The questionnaire asked respondents to rate their overall satisfaction with the Tribunal's delivery of outputs.²¹

The Tribunal recorded an overall level of stakeholder satisfaction of 84 per cent against a target of 80 per cent, based on 75 responses to the questionnaire.

The timeliness measure relates to delivery of the Tribunal's legislated work program within established timeframes. In 2023-24, the Tribunal's legislated work program comprised:

- making comprehensive and annual adjustment Determinations consistent with timeframes set out in the VIRTIPS Act²²
- responding to requests for advice submitted by VPS and PE employers proposing to pay an executive above the relevant remuneration band — the Tribunal aims to provide advice within 15 business days of a complete request being received
- providing advice as requested by the Minister — the advice must be provided within a reasonable time after receiving the request
- provision of the Tribunal's 2022-23 annual report by 31 October 2023.

In 2023-24, the Tribunal delivered 98 per cent of its legislated work program within established timeframes, against a target of 85 per cent.

²⁰ Department of Treasury and Finance (2023), *Budget Paper No. 3 – Service Delivery*, p. 304.

²¹ The question asked was 'Considering consultation methods, consideration of views and issues, communication of outcomes, and timeliness, how satisfied were you overall with the Tribunal's delivery of determinations, reviews and advice in 2023-24?'

²² The Tribunal undertook substantial work on the 2024 MP annual adjustment Determination, 2024 VPS Determination and 2024 LG annual adjustment Determination in the 2023-24 financial year, but as these Determinations were made after 30 June 2024 they were not counted for the timeliness performance measure.

3. Other Tribunal matters



3.1 Tribunal meetings

The Tribunal held 23 regular meetings and one special meeting in 2023-24.

Minutes were kept for each meeting. There were five disclosures of an interest by a Tribunal Member recorded in the minutes of a Tribunal meeting.²³

- On 19 October 2023, Member Gardner advised that she may be joining the V/Line Remuneration Committee. Member Gardner subsequently confirmed that she was appointed Chair of the V/Line Remuneration Committee in October 2023.
- On 16 November 2023, Member Gardner advised that she was no longer a member of the Audit and Risk Management Committee at the Department of Health.
- On 14 December 2023, Member Gardner advised that she had been appointed to the VicTrack Board.
- On 22 February 2024, Member Gardner advised that she was no longer on Energy Safe Victoria's Remuneration Committee.
- On 14 March 2024, Chair McCann advised that Member Acton had raised a potential conflict of interest regarding a request for advice from the Department of Families Fairness and Housing. Chair McCann determined that an actual or potential conflict of interest did not exist.

3.2 Finance

Section 45 of the *Financial Management Act 1994* (Vic) (FMA) requires the Tribunal to prepare a report of operations and financial statements for each financial year. However, in accordance with a determination made by the Assistant Treasurer under section 53(1)(b) of the FMA, the Tribunal's report of operations and financial statements is consolidated with the annual report of the Department of Treasury and Finance.

Under section 8(3)(d) of the FMA, and Standing Direction 1.5, the Assistant Treasurer has also exempted the Tribunal from the requirements of the Standing Directions.

²³ VIRTIPS Act ss. 12 and 14(4).

While the exemption has been provided on an ongoing basis, it is subject to the Tribunal confirming with the Executive Director, Budget Strategy, Department of Treasury and Finance, prior to the end of May each year, that:

- the Tribunal has established and maintained alternative arrangements to ensure that no aspect of financial governance is compromised
- there has not been any significant change to the Tribunal's risk profile and functions
- there has not been any key audit finding that might suggest deficiencies in the Tribunal's financial management and internal control systems.

The Tribunal Chair, as the Accountable Officer for the Tribunal, provided this confirmation for the 2023-24 financial year.

3.3 Freedom of information requests

The Tribunal did not receive any freedom of information requests in 2023-24.

4. Office of the Compliance Officer



The VIRTIPS Act establishes an office of the Compliance Officer, which is attached to the Tribunal and supported by the Tribunal Secretariat.²⁴

A report on the performance of the function of the Compliance Officer must be included in the Tribunal's annual report.²⁵

The Compliance Officer's functions and powers are specified in the VIRTIPS Act and the *Parliamentary Salaries, Allowances and Superannuation Act 1968* (Vic).²⁶ The Compliance Officer is responsible for independently hearing and determining appeals from:

- MPs in relation to a decision by the relevant Officer to reject a claim for a work-related parliamentary allowance or the EO&C Budget
- former MPs in relation to a decision made by a Clerk of the Parliament regarding their entitlement to receive the separation payment.

The Compliance Officer:²⁷

- is not subject to the direction or control of any person, including the Minister
- is not bound by the rules of evidence
- may conduct proceedings with as little formality as considered appropriate
- may publish a statement of findings, and any required actions, on the Tribunal's website, which is absolutely privileged.

²⁴ VIRTIPS Act, s. 27.

²⁵ VIRTIPS Act, s. 40(h).

²⁶ These functions are performed by the primary Compliance Officer or, if they are not available or otherwise unable to hear an appeal, by the secondary Compliance Officer (VIRTIPS Act, s. 28(4)).

²⁷ VIRTIPS Act, ss. 28 and 35.

4.1 Compliance Officers

Peter Lewinsky AM

Mr Lewinsky is the primary Compliance Officer, appointed to the role on 16 March 2022 for a period of five years.

Mr Lewinsky is an experienced Board and Audit Committee chair and member with a broad portfolio over 25 years covering private and ASX listed companies and the government sector in a wide range of business areas and professional disciplines. He has extensive experience in financial management, internal and external audit, risk and compliance, governance, strategic decision making and the provision of advice to Board Chairs, Department Secretaries and leaders of a range of organisations.

Mr Lewinsky is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand and a Fellow of the Australian Institute of Company Directors. He has a Bachelor of Economics (Monash University) with an accounting major and a Master of Business Administration degree (University of Melbourne) with a major in finance.

Jane Brockington

Ms Brockington is the secondary Compliance Officer, appointed to the role on 10 June 2020 for a period of five years.

Ms Brockington has more than 20 years' experience in public administration working with boards, governance bodies and executive teams. She is Principal of the consultancy Bridging Policy and Practice and has led independent reviews for government. Ms Brockington holds several non-executive director positions and is a fellow of the Institute of Public Administration Australia (Victoria), the Australia and New Zealand School of Government and Leadership Victoria.

4.2 Report on the function of the Compliance Officer

Along with a report on the function of the Compliance Officer, the Tribunal's annual report is required to contain details of specific information sought and appeals heard by the Compliance Officer. These details are summarised in Table 4.1.

The primary Compliance Officer heard one appeal in 2023-24. Appeal 2024/01 concerned a claim from an MP under the international travel allowance for unreimbursed airfares, which was rejected by the Clerk of the Legislative Assembly (the relevant Officer) under the Tribunal's 2023 MP Guidelines.

The appeal was rejected by the primary Compliance Officer, who agreed with the relevant Officer's determination that the cancellation of the Member's trip was not for reasons outside their control. The Compliance Officer's Statement of Findings is available on the Tribunal's website.

Table 4.1: Details of specific aspects of the Compliance Officer’s activities in 2023-24

Function	Number
Separation payment	
VIRTIPS Act, s. 40(d) Number of MPs who have not complied with requests for further information by the Compliance Officer in relation to Determinations about separation payments	0
VIRTIPS Act, s. 40(e) Number of appeals heard in relation to separation payments	0
Work-related parliamentary allowances and the EO&C Budget	
VIRTIPS Act, s. 40(f) Number of MPs who have not complied with requests for further information in relation to appeals relating to work-related parliamentary allowances and the EO&C Budget	0
VIRTIPS Act, s. 40(g) Number of appeals heard in relation to work-related parliamentary allowances and the EO&C Budget	1