

REPORT OF THE GEDLING INDEPENDENT REMUNERATION PANEL

13 JUNE 2011

1. **Introduction**

- 1.1 The Remuneration Panel is comprised of four Independent Members appointed from residents of the Borough.
- 1.2 The Panel normally meets annually during the budget setting process to consider members' remuneration for the year ahead. However, the Panel can be convened at any time and was called together in response to members giving consideration to changes to the current remuneration arrangements in the wake of the recent election. Three of the four members of the Panel were able to attend – Ms Pam Wisher tendered her apologies.
- 1.3 The Panel reiterated its observations made in February 2011 that the Council continues to operate in an environment of severe financial constraint. Given this, and the fact that members remuneration was last considered as recently as February 2011, the Panel questioned whether it was appropriate for remuneration to be considered again so soon.
- 1.4 The Panel did however acknowledge that the composition of the Council has changed significantly as a result of the recent election and recognised that it may make sense for any changes occasioned by the substantially changed composition of the Council to be introduced expeditiously.

2. **The Process**

- 2.1 All members of the Council were contacted for their views and comments on the allowances paid.
- 2.2 Four members made submissions to the Panel. One of the four submissions was made on behalf of the Gedling Labour Group.
- 2.3 For comparative purposes allowances paid to other authorities in the County were obtained and shared with Panel members.

3. **Proposals**

- 3.1 The Panel considered representations made to it with regard to Special Responsibility Allowances (SRAs).

- 3.2 Amongst those representations, the Panel received a representation to consider the level of allowances paid to the Leader and to the Deputy Leader of the Council. The Panel acknowledged its intention expressed at its February 2011 meeting to review the Leader's allowance in its next report.
- 3.3 The Panel reiterated its views expressed at its February meeting that the Leader of the Council's allowance should reflect the responsibilities of the post and that this allowance should not become out of step with comparable authorities. The Panel considered the level of allowances paid to District Council Leaders within the County and noted that, at £9,983, the allowance paid to the Leader of Gedling Borough Council is the lowest in Nottinghamshire, the next lowest being £10,700. The Panel therefore continues to recognise that the Leader of the Council's allowance has fallen behind what it might expect to see in normal circumstances.
- 3.4 The Panel stressed that it remains mindful of the particular financial situation facing local authorities at this time. Therefore, while recognising that an increase in the Leader's Allowance could be justified for the reasons set out in para 3.3 above, it concluded that it did not feel it would be appropriate to recommend an uplift to the Leader's allowance at the present time.
- 3.5 The Panel noted that the current allowance paid to the Deputy Leader was in the middle range of payments made by Nottinghamshire districts (4th of 6) – at £8,314 it is broadly comparable with payments made in Bassetlaw and Newark & Sherwood, but significantly less than that paid in Ashfield (£13,594). The Panel was informed that it was apparent that the role of Deputy Leader could be different and potentially more demanding given the make up of the new Council and that this situation was likely to endure beyond the "honeymoon period" of the new administration. However, the Panel concluded that it would not be appropriate to recommend an uplift for this SRA, for the same reasons that it could not recommend an uplift in the Leader's SRA, but expressed similar views that this payment should reflect the responsibilities of the post and should not become out of step with comparable authorities (see para 3.3 above).
- 3.6 The Panel agreed that it was important for SRAs to continue to be calculated on a proportional basis i.e. that there are clearly identifiable ratios between the payments made to the Leader of the Council; Cabinet members; Committee Chairs etc reflective of the level of responsibility each post attracts. The Panel indicated it would not be supportive of changes that departed from that principle.
- 3.7 The Panel noted that the political composition of the Council had changed significantly as a result of the recent election. In particular, the Panel noted that the Second Opposition Group now consisted of only three members. In these circumstances, the Panel considered it to be inappropriate for an SRA to continue to be paid to the Leader of the

Second Opposition Group, nor to the Business Manager for the Second Opposition Group.

- 3.8 The Panel were advised that the controlling group intended to introduce a new role of Policy Advisor. This would replace the previous role of Cabinet Advisor, but with a different role. The Panel felt that the role of Policy Advisor should attract an SRA equivalent to of 50% of the SRA payable to a Committee Chair.
- 3.9 The Panel considered representations regarding the SRA paid to the Deputy Mayor. The Panel was informed that the Deputy Mayor was taking on a wider range of duties, and that the Council has reduced the support available to the Civic function. The Panel concluded however that the SRA paid to the Deputy Mayor should remain at 50% of the SRA paid to a Committee Chair.
- 3.10 With regard to the Basic Allowance, the Panel reiterated its observations made at the February 2011 meeting, these being that:
- 3.10.1 The Panel acknowledged that basic allowances paid to members was at the lower end of the allowances paid to District Council Members within the County but was not the lowest.
- 3.10.2 Having considered the comparators the Panel does not consider that an adjustment to the Basic Allowance should be made at this time.
- 3.10.3 The Basic Allowance should, however, keep pace with local government wage inflation and the Panel, therefore, recommends that allowances be increased in line with any staff pay award.
- 3.10.4 The Panel is aware of suggestions that differential pay award may be negotiated favouring lower paid staff. If that were to be the case the Panel's view is that the Basic Allowance should be treated in line with Senior Management pay awards, if any, to reflect the role of an elected member.

RECOMMENDATIONS

Recommendation 1

That the proportionate links for payment of Special Responsibility Allowances between different roles with different levels of responsibility be retained now and in any future proposals for members allowances.

Recommendation 2

That the Special Responsibility Allowances paid to the Leader of the Third Group and the Business Manager for the Second Opposition Group should no longer be paid, given the reduced size of that Group.

Recommendation 3

That a Special Responsibility Allowance equivalent to 50% of the Special Responsibility Allowance paid to Committee Chairs be paid to the newly created role of Policy Advisor.

Recommendation 4

That the Basic Allowance, Special Responsibility Allowances (other than those specifically referred to in recommendations 2 and 3 above) and Co-optees Allowances should remain as agreed in February 2011, but should be increased by any percentage pay award awarded to staff in the current year should such an award be made (in the case of any differential award, allowances should be adjusted in line with any Senior Management award as outlined in 3.1.4 above).

Recommendation 5

That, while there is a case for an uplift in the allowance paid to the Leader and Deputy Leader of the Council, such an uplift is not recommended at the present time due to the current financial pressures facing local government.