

# **REPORT OF THE GEDLING INDEPENDENT REMUNERATION PANEL**

**28 NOVEMBER 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 (although it can meet more frequently as required). This meeting was its regular annual meeting.
- 1.3 Three of the four members of the Panel were able to attend – Ms Pam Wisher tendered her apologies.
- 1.4 The Panel reiterated its observations made in February and June 2011 that the Council continues to operate in an environment of severe financial constraint.
- 1.5 The Panel noted that the Council had invited the Local Government Boundary Commission for England to review the size of the Council and that this review is likely to be completed with new electoral arrangements in place before the next Borough Council election.

## **2. The Process**

- 2.1 All members of the Council were contacted for their views and comments on the allowances paid.
- 2.2 Six submissions were received, all of which were considered by the Panel. One of the six submissions, from the Gedling Labour Group, set out proposals for all Special Responsibility Allowances.
- 2.3 For comparative purposes allowances paid to other authorities in the County were obtained and made available to Panel members.

## **3. Proposals**

- 3.1 The Panel noted that the number of Special Responsibility Allowances (SRA) recipients had not changed since the last Panel meeting in June 2011.
- 3.2 The Panel reiterated its view that SRAs should 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; Deputy Leader of the Council; Cabinet members; Committee Chairs etc reflective of the level of responsibility each post attracts.

- 3.3 Amongst the representations received, the Panel received a representation to consider the level of allowances paid to the Leader and to the Deputy Leader of the Council.
- 3.4 The Panel acknowledged its intention expressed at its February 2011 meeting to review the Leader's allowance in its next report. It also acknowledged its view, expressed in February 2011 and reiterated in June 2011, 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.
- 3.5 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 continued to recognise that the Leader of the Council's allowance has fallen behind what it might expect to see in normal circumstances.
- 3.6 The Panel understood that significant workload had been taken on by both the Leader and Deputy Leader of the Council since the election held in May 2011, which has added to the Council's leadership capacity at a time when the number of Chief Officers employed by the Council has significantly reduced.
- 3.7 The Panel therefore agreed that an increase in the Leader's Allowance could be justified. In line with its previous principles that there should be clear and easily understood ratios between the various Special Responsibility Allowances, the Panel supported a proposal put forward that the Leader's Allowance should rise from 3 times the current allowance for a Committee Chair to 4 times the current allowance for a Committee Chair. This would see the Leader's Allowance rise from £9,982 to £13,292.
- 3.8 With regard to the Deputy Leader, the Panel had previously noted that the current allowance paid to the Deputy Leader was in the middle range of payments made by Nottinghamshire districts (4<sup>th</sup> of 6) and that this comparative situation had not changed. – 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 potentially more demanding nature of the role alluded to at the Panel's last meeting had continued.
- 3.9 The Panel therefore supported a proposal put to it to increase the Special Responsibility Allowance paid to the Deputy Leader from 2.5 times the current allowance for a Committee Chair to 3.25 times the current allowance for a Committee Chair, thus retaining the broad ratio between payments made to the Leader and Deputy Leader. This would see the Deputy Leader's Allowance rise from £8,314 to £10,800.
- 3.10 The Panel nevertheless remained mindful of the particular financial situation facing local authorities at this time. It therefore proposed that

the increase in allowances paid to both the Leader and Deputy Leader should be phased on an equal basis over a three year period<sup>1</sup>.

- 3.11 In making these recommendations, the Panel noted that it is likely to be possible for the changes to be funded from within the current available budget, at least in the first year. It also stressed its view that, if agreed by Council, the proposed changes should not take effect before the 2012 Annual Meeting of the Council.
- 3.12 The Panel considered a representation that the SRA payable to Policy Advisors should be increased. The Panel recognised the hard work being done in these areas, but did not support any change to current remuneration for these roles, as it felt that, on the basis of the examples of work done put forward, the roles were more operational than advisory and that the work was self-managed.
- 3.13 With regard to the Basic Allowance, the Panel reiterated its observations made at its meetings held in February and June 2011, these being that: -
  - 3.13.1 The Panel acknowledged that basic allowances paid to members are at the lower end of the allowances paid to District Council Members within the County but are not the lowest.
  - 3.13.2 Having considered the comparators the Panel did not consider that an adjustment to the Basic Allowance should be made at this time.
  - 3.13.3 The Basic Allowance should, however, keep pace with local government wage inflation and the Panel, therefore, recommended that allowances be increased in line with any staff pay award.
  - 3.13.4 Should a differential pay award be negotiated favouring lower paid staff, the Basic Allowance should be treated in line with Senior Management pay awards, if any, to reflect the role of an elected member.

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<sup>1</sup> This would mean that the Leader's Allowance would rise to 3.33 times the current allowance for a Committee Chair in 2012/13, to 3.66 times current allowance for a Committee Chair in 2013/14 and to 4 times current allowance for a Committee Chair in 2014/15, while the Deputy Leader's Allowance would rise to 2.75 times the current allowance for a Committee Chair in 2012/13, to 3 times current allowance for a Committee Chair in 2013/14 and to 3.25 times current allowance for a Committee Chair in 2014/15.

## **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 Council and the Deputy Leader of the Council be increased to 4x and 3.25x the Special Responsibility Allowance paid to Committee Chairs respectively, and that these increases should be phased in three equal amounts over a three year period.

### **Recommendation 3**

That the Basic Allowance, Special Responsibility Allowances (other than those specifically referred to in recommendation 2) 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 3.13.4 above).