

REPORT OF THE GEDLING INDEPENDENT REMUNERATION PANEL

18 DECEMBER 2012

1. Introduction

- 1.1 The Remuneration Panel is comprised of four Independent Members appointed from residents and/or stakeholders 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 – Mr Ted Mills tendered his apologies.
- 1.4 The Panel reiterated its observations made in February, June and November 2011 that the Council continues to operate in an environment of severe financial constraint.
- 1.5 The Panel noted that following the Council's request for a review of warding arrangements (with a view to reducing the number of councillors), the Local Government Boundary Commission for England was in the process of carrying out this independent review. The Commission's recommendations are expected in the New Year and the resultant new electoral arrangements will be in place before the next full Borough Council election in 2015.

2. The Process

- 2.1 All members of the Council were contacted for their views and comments on the allowances paid.
- 2.2 Four submissions were received, all of which were considered by the Panel. One of the submissions sought views from the Panel on the specific issue of remuneration for representation on the newly established Police and Crime Panel.
- 2.3 Panel members were verbally informed that it was understood that little if any change had been made to allowances paid by other Nottinghamshire authorities since the Panel's last meeting, at which allowances paid to other authorities in the County had been obtained and made available to Panel members for comparative purposes.

3. Proposals

- 3.1 The Panel reiterated its view that Special Responsibility Allowances (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. The Panel noted that its recommendation to this effect had been supported by Council at its meeting on 22 February 2012 and agreed therefore not to make any further recommendation on this matter.

- 3.2 The Panel noted that its recommendation made in November 2011, “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” had been considered by the Council on 22 February 2012 but had not been accepted. The Panel was informed that the Council had instead resolved “that a strategic review of the Member Allowances Scheme should take place after the Local Government Boundary Review was completed, which should consider the change in total number of members and the change in roles and functions of members, as well as other factors considered by the Independent Remuneration Panel.”
- 3.3 The Panel acknowledged its view, expressed in February 2011 and reiterated in June and November 2011, that the Leader of the Council’s SRA should reflect the responsibilities of the post and that this allowance should not become out of step with comparable authorities. It further noted that the SRA paid to the Leader of Gedling Borough Council remained low compared to other comparable authorities in Nottinghamshire and had fallen behind what it might expect to see in normal circumstances.
- 3.4 The Panel continued to recognise the significant workload that 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.
- 3.5 The Panel therefore agreed that a phased increase in SRAs paid to the Leader and to the Deputy Leader continues to be justified, as outlined in its previous (November 2011) report. The Panel nevertheless understood the Council’s position on the matter, agreed by Council in February 2012 (as set out in para 3.2 above).
- 3.6 The Panel did however conclude that the principles behind its conclusions with regard to the level of SRAs paid to the Leader and Deputy Leader remained valid and suggested that those principles should be factored into the strategic review of allowances the Council proposed should take place when the Local Government Boundary Commission’s review has been completed.
- 3.7 The Panel considered the issue of remuneration for representation on the newly established Police and Crime Panel (PCP) in the light of representations made by members. The Panel had been made aware that the Council’s representative on the PCP had been appointed as that Panel’s Chair. It therefore considered separately the issues of whether an SRA should be paid for “ordinary” membership of the PCP and whether an SRA should be paid to the Chair of that Panel and, if so, by whom. The

Panel considered examples of practice from other police force areas¹ provided by members as part of their representations on this matter.

- 3.8 With regard to ordinary membership of the PCP, the Panel noted that Home Office guidance allows for the payment of up to £920 per annum for expenses for each PCP member. The Panel concluded that there was therefore no justification to pay an SRA for “ordinary” membership of the PCP.
- 3.9 The Panel did recognise that the Chairmanship of the PCP brought with it additional responsibilities. In principle therefore, the Panel felt it may be appropriate for an SLA to be payable to the Chair of the PCP. However, the Panel felt that the role of chairing the PCP is of benefit to the entire police force area and therefore, should the relevant organisation agree that an SRA be payable, the financial burden of any SLA paid should not be solely borne by the authority that the Chair represents and should instead be shared between all authorities represented on the Panel.
- 3.10 In coming to this view, the Panel recognised that remuneration of members of the PCP was not an issue on which it necessarily has any formal jurisdiction. However, having been asked by members to consider the matter, it considered it reasonable to put forward a view for consideration by the relevant body in due course. In that respect, from the various examples of decision making on similar issues put to it, the Panel concluded that the approach adopted by Norfolk Police and Crime Panel represented the fairest and most pragmatic approach to the issue. That approach is attached at **Appendix A** to this report.
- 3.11 With regard to the Basic Allowance, the Panel reiterated its observations made at its meetings held in February, June and November 2011, these being that: -
- 3.11.1 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.
- 3.11.2 The Panel did not consider that an adjustment to the Basic Allowance should be made at this time.
- 3.11.3 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.
- 3.11.4 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.

¹ Examples were provided from Norfolk, Lancashire, Hampshire, the Association of Greater Manchester Authorities, Gloucestershire and West Yorkshire in the form of reports to Police and Crime Panels (with the exception of West Yorkshire where the example provided was a committee report from Leeds City Council)

RECOMMENDATIONS

Recommendation 1

That the principles set out in the Panel's recommendation to Council made in February 2012 with regard to the Special Responsibility Allowances payable to the Leader and Deputy Leader of the Council should be factored into the strategic review of allowances the Council has agreed should take place when the Local Government Boundary Commission's review of future warding arrangements has been completed.

Recommendation 2

That, with regard to the payment of Special Responsibility Allowance to the Chair of the Police and Crime Panel, the Council considers making representations to the Nottinghamshire Police and Crime Panel to the effect that consideration is given to a remuneration model similar to that adopted by Norfolk Police and Crime Panel.

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 3.11.4 above).

Appendix A

Extract from Norfolk Police and Crime Panel arrangements

July 2012

Para 4.3 – The local authorities will establish a joint remuneration panel to consider whether a special responsibility allowance should be paid to the Chairman of the PCP and, if so, what the level of that SRA should be. If the councils subsequently decide that an SRA will be paid, the cost will be apportioned between the councils on the basis of the number of members each has on the PCP. The independent remuneration panel shall be convened by the lead authority, with its membership to be drawn from the independent remuneration panels for each local authority.